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LEGISLATIVE HISTORY
Public Law 91-606
S. 3619

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INDEX AND SUMMARY OF S. 3619

- Mar. 20, 1970 Sen. Bayh et al, introduced and discussed S. 3619 which was referred to S. Public Works Committee. Print of bill as referred and remarks of author.
- June 24, 1970 Sub-committee approved S. 3619 for full committee consideration.
- Aug. 31, 1970 Senate committee reported S. 3619 with amendment. S. Rept. 91-1157. Print of bill and report.
- Sept. 9, 1970 Senate passed S. 3619 with amendment.
- Sept. 10, 1970 S. 3619 referred to House Public Works Committee. Print of bill as referred.
- Sept. 24, 1970 House committee voted to report S. 3619 with amendment.
- Sept. 29, 1970 House committee reported with amendment S. 3619. H. Rept. 91-1524. Print of bill and report.
- Oct. 5, 1970 House passed S. 3619 as reported.
- Oct. 9, 1970 Senate disagreed to House amendments to S. 3619. Senate conferees were appointed.
- Nov. 24, 1970 House conferees were appointed.
- Dec. 15, 1970 House received conference report. H.Rept. 91-1752. Print of report.
- Dec. 17, 1970 House agreed to conference report on S. 3619.
- Dec. 18, 1970 Senate agreed to conference report on S. 3619.
- Dec. 31, 1970 Approved: P.L. 91-606



91ST CONGRESS
2D SESSION

S. 3619

IN THE SENATE OF THE UNITED STATES

MARCH 20, 1970

Mr. BAYH (for himself, Mr. BIBLE, Mr. BROOKE, Mr. CRANSTON, Mr. EAGLETON, Mr. EASTLAND, Mr. FONG, Mr. GRAVEL, Mr. HARRIS, Mr. HART, Mr. HARTKE, Mr. HUGHES, Mr. INOUYE, Mr. JAVITS, Mr. KENNEDY, Mr. McGEE, Mr. MILLER, Mr. MONDALE, Mr. MUSKIE, Mr. PELL, Mr. RANDOLPH, Mr. SONG, Mr. STEVENS, Mr. TYDINGS, Mr. WILLIAMS of New Jersey, Mr. YARBOROUGH, and Mr. YOUNG of Ohio) introduced the following bill; which was read twice and referred to the Committee on Public Works

A BILL

To create, within the Office of the President, an Office of Disaster Assistance, to revise and expand Federal programs for relief from the effects of major disasters, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That this Act may be cited as the "Omnibus Disaster Assist-
4 ance Act".

5 TITLE I—FINDINGS AND DECLARATIONS,

6 DEFINITIONS

7 FINDINGS AND DECLARATIONS

8 SEC. 101. (a) The Congress hereby finds and declares
9 that—

10 (1) because extensive property damage and loss,

1 loss of life, loss of income, and human suffering result
2 from major disasters such as hurricanes, tornadoes,
3 storms, floods, high waters, wind-driven waters, tidal
4 waves, earthquakes, droughts, fires, and other catastro-
5 phes; and

6 (2) because such disasters disrupt the normal
7 functioning of government and the community, and ad-
8 versely affect individual persons and families with great
9 severity, special measures, designed to expedite the
10 rendering of aid and assistance and the reconstruction
11 and rehabilitation of devastated areas, are necessary.

12 (b) It is the intent of the Congress, by this Act, to
13 provide an orderly and continuing means of alleviating the
14 suffering and damage which result from such disasters by—

15 (1) revising and broadening the scope of existing
16 major disaster relief programs;

17 (2) encouraging the development of comprehensive
18 disaster relief programs by the States; and

DEFINITIONS

23 SEC. 102. As used in this Act—

24 (1) "major disaster" means any flood, high waters,
25 wind-driven waters, tidal wave, drought, fire, hurricane,

1 tornado, earthquake, storm, or other catastrophe in
2 any part of the United States which in the determina-
3 tion of the President, is or threatens to be of sufficient
4 severity and magnitude to warrant disaster assistance
5 by the Federal Government to supplement the efforts
6 and available resources of States, local governments,
7 and private relief organizations in alleviating the dam-
8 age, loss, hardship, or suffering caused thereby, and
9 respecting which the Governor of any State in which
10 such catastrophe occurs or threatens to occur certifies
11 the need for disaster assistance under this Act, and shall
12 give assurance of expenditure of a reasonable amount
13 of the funds of such State, its local governments, or other
14 agencies for the same or similar purposes with respect
15 to such catastrophe;

16 (2) "United States" means the fifty States, the
17 District of Columbia, Puerto Rico, the Virgin Islands,
18 Guam, American Samoa, and the Trust Territory of the
19 Pacific Islands;

20 (3) "State" means any State in the United States,
21 the District of Columbia, Puerto Rico, the Virgin Is-
22 lands, Guam, American Samoa, and the Trust Territory
23 of the Pacific Islands;

24 (4) "Governor" means the chief executive of any
25 State;

1 (5) "local government" means any county, city,
2 village, town, district, or other political subdivision of
3 any State, and includes any rural community or unin-
4 corporated town or village for which an application for
5 assistance is made by a State or political subdivision
6 thereof;

7 (6) "Federal agency" means any department, in-
8 dependent establishment, Federal corporation, or other
9 agency of the executive branch of the Federal Govern-
10 ment, excepting the American National Red Cross;

11 (7) "Director" means the Director of the Office of
12 Disaster Assistance except where a different meaning is
13 indicated by the context within which it is used; and
14 (8) "Office" means the Office of Disaster Assist-
15 ance.

16 TITLE II—OFFICE OF DISASTER ASSISTANCE

17 ESTABLISHED STATE

18 SEC. 201. (a) There is hereby established, within the
19 Office of the President, an Office of Disaster Assistance, for
20 the purpose of administering Federal disaster relief pro-
21 grams, coordinating relief activities of private relief organiza-
22 tions in major disasters, and for other purposes.

23 (b) There shall be in the Office a Director of Disaster
24 Assistance and an Assistant Director of Disaster Assistance
25 (hereafter referred to as the "Assistant Director"), each of

1 whom shall be appointed by the President, and shall serve
2 at his pleasure. The Office shall be under the control and
3 supervision of the Director. The Assistant Director shall per-
4 form such duties as may be assigned to him by the Director,
5 and, during the absence or incapacity of the Director, or
6 during a vacancy in that office, shall act as the Director. The
7 Director shall designate an employee of the Office to act as
8 Director during the absence or incapacity of both the Direc-
9 tor and the Assistant Director, or during a vacancy in both
10 of such offices.

11 (c) Subchapter II of chapter 53 of title 5, United
12 States Code (relating to Executive Schedule pay rates), is
13 amended as follows:

14 (1) Section 5313 is amended by adding at the end
15 thereof the following:

16 " (20) Director, Office of Disaster Assistance."

17 (2) Section 5314 is amended by adding at the end
18 thereof the following:

19 " (54) Assistant Director, Office of Disaster As-
20 sistance."

21 (d) There are hereby transferred to the Director all the
22 functions of the Secretary of Defense carried out through the
23 Office of Civil Defense, and the functions, insofar as such
24 functions relate to major disaster relief, of the Director of
25 the Office of Emergency Preparedness.

1 (e) Within one hundred and eighty days after the
2 effective date of this Act, the President may transfer to the
3 Director any function of any other agency or office, or part
4 of any agency or office, in the executive branch of the United
5 States Government if the President determines that such
6 function relates primarily to functions transferred to the
7 Director by the preceding subsection of this section.

8 TRANSFER OF PERSONNEL

9 SEC. 202 (a) All personnel, assets, liabilities, contracts,
10 property, and records as are determined by the Director of
11 the Bureau of the Budget to be employed, held, or used
12 primarily in connection with any function transferred under
13 the provisions of section 201(d), are transferred to the
14 Director. Except as provided in subsection (b), personnel
15 engaged in functions transferred under this title shall be
16 transferred in accordance with applicable laws and regula-
17 tions relating to transfer of functions.

18 (b) Personnel not under section 5337 of title 5, United
19 States Code, shall be transferred without reduction in classi-
20 fication or compensation for one year after such transfer.

21 (c) In any case where all of the functions carried out
22 through any agency or office are transferred pursuant to
23 this Act, such agency or office shall lapse.

24 AUTHORITY OF THE DIRECTOR

25 SEC. 203. (a) The Director of the Office of Disaster
26 Assistance may, in addition to the authority to delegate and

1 redelegate contained in any other Act in the exercise of
2 the functions transferred to him by this Act, delegate any
3 of his functions to such officers and employees of the Office
4 as he may designate, may authorize such successive redele-
5 gations of such functions as he may deem desirable, and may
6 make such rules and regulations as may be necessary to carry
7 out his functions.

8 (b) The Director is authorized to appoint, without
9 regard to the provisions of title 5, United States Code,
10 governing appointments in the competitive service, such
11 advisory committees as may be appropriate for the purpose
12 of consultation with and advice to the Office in the perform-
13 ance of its functions. Members of such committees, other than
14 those regularly employed by the United States Government,
15 while attending meetings of such committees or otherwise
16 serving at the request of the Director, may be paid compen-
17 sation at rates not exceeding those authorized to be paid
18 experts and consultants under section 3109 of such title, and
19 while so serving away from their homes or regular places
20 of business, may be allowed travel expenses, including per
21 diem in lieu of subsistence, as authorized by section 5703 of
22 such title, for persons in the Government service employed
23 intermittently.

24 (c) In order to carry out the provisions of this Act,
25 the Director is authorized—

1 (1) to adopt, amend, and repeal rules and regula-
2 tions governing the manner of operations, organization,
3 and personnel of the Office, and the performance of the
4 powers and duties granted to or imposed upon him by
5 law;

6 (2) to appoint and fix the compensation of such
7 officers and employees, and prescribe their functions and
8 duties, as may be necessary to carry out the provisions
9 of this Act;

10 · (3) to obtain the services of experts and consultants
11 in accordance with the provisions of section 3109 of title
12 5, United States Code;

13 (4) to acquire by purchase, lease, condemnation,
14 or in any other lawful manner, any real or personal
15 property, tangible or intangible, or any interest therein;
16 to hold, maintain, use, and operate the same; to provide
17 services in connection therewith, and to charge there-
18 for; and to sell, lease, or otherwise dispose of the same
19 at such time, in such manner, and to the extent deemed
20 necessary or appropriate;

21 (5) to construct, operate, lease, and maintain build-
22 ings, facilities, and other improvements as may be
23 necessary;

24 (6) to accept gifts or donations of services, money,
25 or property, real, personal, or mixed, tangible or in-
26 tangible;

(8) to make advance, progress, and other payments which the Director deems necessary under this Act without regard to the provisions of section 3648 of the Revised Statutes, as amended (31 U.S.C. 529); and

15 (9) to take such other action as may be necessary
16 to carry out the provisions of this Act.

REPORTS TO THE CONGRESS

18 SEC. 204. The Director shall, as soon as practicable
19 after the end of each fiscal year, make a report in writing
20 to the President for submission to the Congress on the
21 activities of the Office during the preceding fiscal year.

MISCELLANEOUS TRANSFER PROVISIONS

23 SEC. 205. (a) All orders, determinations, rules, regu-
24 lations, permits, contracts, certificates, licenses, and privi-
25 leges—.

1 (1) which have been issued, made, granted, or
2 allowed to become effective in the exercise of functions
3 which are transferred under this Act, by (A) any agency
4 or office, or part thereof, any functions of which are
5 transferred by this Act, or (B) any court of competent
6 jurisdiction; and

7 (2) which are in effect at the time this title takes
8 effect;

9 shall continue in effect according to their terms until modi-
10 fied, terminated, superseded, set aside, or repealed by the
11 Director, by any court of competent jurisdiction, or by
12 operation of law.

13 (b) The provisions of this Act shall not affect any
14 proceedings pending at the time this section takes effect
15 before any agency or office, or part thereof, functions of
16 which are transferred by this Act, except that such proceed-
17 ings, to the extent that they relate to functions so trans-
18 ferred, shall be continued before the Office. Such proceed-
19 ings, to the extent they do not relate to functions so
20 transferred, shall be continued before the agency or office,
21 or part thereof, before which they were pending at the time
22 of such transfer. In either case orders shall be issued in
23 such proceedings, appeals shall be taken therefrom, and
24 payments shall be made pursuant to such orders, as if this
25 Act had not been enacted, and orders issued in any such

1 proceedings shall continue in effect until modified, termi-
2 nated, superseded, or repealed by the Director, by a court
3 of competent jurisdiction, or by operation of law.

4 (c) (1) Except as provided in paragraph (2)—

5 (A) the provisions of this title shall not affect
6 suits commenced prior to the date this section takes
7 effect; and

8 (B) in all such suits proceedings shall be had, ap-
9 peals taken, and judgments rendered, in the same
10 manner and effect as if this Act had not been enacted.

11 No suit, action, or other proceeding commenced by or
12 against any officer in his official capacity as an officer of
13 any agency or office, or part thereof, functions of which
14 are transferred by this Act, shall abate by reason of the
15 enactment of this Act. No cause of action by or against
16 any agency or office, or part thereof, functions of which
17 are transferred by this Act, or by or against any officer
18 thereof in his official capacity shall abate by reason of the
19 enactment of this Act. Causes of actions, suits, or other
20 proceedings may be asserted by or against the United States
21 or such official of the office as may be appropriate and,
22 in any litigation pending when this section takes effect, the
23 court may at any time, on its own motion or that of any
24 party, enter an order which will give effect to the provisions
25 of this subsection.

1 (2) If before the date on which this title takes effect,
2 any agency or office, or officer thereof in his official capacity,
3 is a party to a suit, and under this Act—

4 (A) such agency or office, or any part thereof, is
5 transferred to the Director; or

6 (B) any function of such agency, office, or part
7 thereof, or officer is transferred to the Director;

8 then such suit shall be continued by the Director (except in
9 the case of a suit not involving functions transferred to the
10 Director, in which case the suit shall be continued by the
11 agency, office, or part thereof, or officer which was a party
12 to the suit prior to the effective date of this title).

13 (d) With respect to any function transferred by this
14 Act and exercised after the effective date of this title, refer-
15 ence in any other Federal law to any agency, office, or part
16 thereof, or officer so transferred or functions of which are
17 so transferred shall be deemed to mean the office or officer
18 in which such function is vested pursuant to this Act.

19 (e) This Act shall not have the effect of releasing or
20 extinguishing any criminal prosecution penalty, forfeiture,
21 or liability incurred as a result of any function transferred
22 under this Act.

23 (f) Orders and actions of the Director in the exercise
24 of functions transferred under this Act shall be subject to
25 judicial review to the same extent and in the same manner

1 as if such orders and actions had been by the agency or office,
2 or part thereof, exercising such functions, immediately pre-
3 ceding their transfer. Any statutory requirements relating
4 to notice, hearings, action upon the record, or administra-
5 tive review that apply to any function transferred by this
6 Act shall apply to the exercise of such function by the
7 Director.

8 (g) In the exercise of the functions transferred under
9 this Act, the Director shall have the same authority as that
10 vested in the agency or office, or part thereof, exercising
11 such functions immediately preceding their transfer, and his
12 actions in exercising such functions shall have the same force
13 and effect as when exercised by such agency or office, or part
14 thereof.

15 **EFFECTIVE DATE**

16 SEC. 206. (a) This title, other than this section, shall
17 take effect ninety days after the date of enactment of this
18 Act, or on such prior date after enactment of this Act as
19 the President shall prescribe and publish in the Federal Reg-
20 ister.

21 (b) Notwithstanding subsection (a), any of the officers
22 provided for in subsection (a) or (b) of section 201 may be
23 appointed in the manner provided for in this Act, at any
24 time after the date of enactment of this Act. Such officers
25 shall be compensated from the date they first take office, at

1 the rates provided for in this Act. Such compensation and re-
2 lated expenses of their offices shall be paid from funds avail-
3 able for the functions to be transferred to the Director pur-
4 suant to this Act.

5 **TITLE III—THE ADMINISTRATION OF DISASTER**

6 **ASSISTANCE**

7 **PART A—EMERGENCY RELIEF**

8 **FEDERAL COORDINATING OFFICER**

9 SEC. 301. (a) Immediately upon the President's desig-
10 nation of an area as a major disaster area, the Director
11 shall appoint a coordinating officer to operate in such area.

12 (b) In order to effectuate the purposes of this Act, the
13 coordinating officer shall perform the following functions
14 within the disaster area:

15 (1) make an initial appraisal of the types of relief
16 most urgently needed;

17 (2) deploy any emergency support teams assigned
18 to the area by the Director;

19 (3) establish such field officers as he deems neces-
20 sary and as are authorized by the Director;

21 (4) coordinate the administration of relief, includ-
22 ing activities of the American National Red Cross and
23 such other private relief organizations as may agree to
24 operate under his advice or direction; and

25 (5) take such other action, consistent with authority

1 delegated to him by the Director, and consistent with the
2 provisions of this Act, as he may deem necessary to
3 assist local citizens and public officials in promptly ob-
4 taining assistance to which they are entitled.

EMERGENCY SUPPORT TEAMS

6 SEC. 302. The Director is authorized to recruit, train,
7 or otherwise develop emergency support teams of personnel
8 with the capability and responsibility of deploying them-
9 selves in a major disaster area immediately upon the procla-
10 mation of a major disaster. Such teams shall have such equip-
11 ment and supplies as may be necessary to bring immediate,
12 emergency assistance to disaster victims upon deployment.
13 An emergency support team deployed in a disaster area by
14 the Director shall make a preliminary survey of the disaster
15 area and advise the Federal coordinating officer with respect
16 to the types of assistance most urgently needed, and, subject
17 to the direction of such officer, give assistance and relief to
18 the victims of the disaster.

EMERGENCY COMMUNICATIONS SYSTEMS

20 SEC. 303. The Director is authorized, after consultation
21 with such other Federal agencies, including the Federal
22 Communications Commission and the Federal Aviation
23 Agency, as may be appropriate, to establish an emergency
24 communications system in any major disaster area in order

1 to carry out the functions of his office, and to make such
2 system available to State and local government officials and
3 other persons as he deems appropriate.

4 COOPERATION OF FEDERAL AGENCIES

5 SEC. 304. In any major disaster, Federal agencies are
6 hereby authorized, upon request of the Director, to cooperate
7 with the Director in providing assistance by—

8 (1) utilizing or lending, with or without compen-
9 sation therefor, to States and local governments, their
10 equipment, supplies, facilities, personnel, and other re-
11 sources, other than the extension of credit under the
12 authority of any Act;

13 (2) distributing, through the American National
14 Red Cross, other private relief organizations, or other-
15 wise, medicine, food, and other consumable supplies;
16 (3) donating or lending equipment and supplies,
17 determined in accordance with applicable laws to be
18 surplus to the needs and responsibilities of the Federal
19 Government;

20 (4) performing on public or private lands protec-
21 tive and other work essential for the preservation of life
22 and property, including—

23 (a) clearing debris and wreckage;

24 (b) making repairs to, or replacing, public fa-
25 cilities, belonging to State or local governments,

1 which were damaged or destroyed by a major
2 disaster;

3 (c) providing temporary housing or other
4 emergency shelter for families who, as a result of
5 such major disaster, require temporary housing or
6 other emergency shelter; and

7 (d) making contributions to State or local gov-
8 ernments for the purpose of carrying out the provi-
9 sions of this paragraph.

10 Any funds received by Federal agencies as reimbursement
11 for services or supplies furnished under the authority of this
12 section shall be deposited to the credit of the appropriation
13 or appropriations currently available for such services or
14 supplies. The Federal Government shall not be liable for
15 any claim based upon the exercise or performance or the
16 failure to exercise or perform a discretionary function or duty
17 on the part of a federal agency or an employee of the Gov-
18 ernment in carrying out the provisions of this section.

19 PART B—RECOVERY ASSISTANCE

20 DEBRIS REMOVAL GRANTS

21 SEC. 305. The Director, whenever he determines it to
22 be in the public interest, is authorized to make a grant or
23 grants to any State or local government or agency thereof
24 for the purpose of removing debris deposited on privately

1 owned lands and on or in privately owned waters as a result
2 of a major disaster, and such State or local government or
3 agency is authorized, upon application, to make payments
4 from amounts received in such grants to any person for re-
5 imbursement of expenses actually incurred by such person
6 in the removal of such debris, but not to exceed the amount
7 that such expenses exceed the salvage value of such debris.

TEMPORARY HOUSING

9 SEC. 306. (a) The Director is authorized to provide on
10 a temporary basis, as prescribed in this section, dwelling
11 accommodations for individuals and families displaced by a
12 major disaster.

(b) The Director is authorized to provide such accommodations by (1) using any unoccupied housing owned by the United States under any program of the Federal Government, (2) arranging with a local public housing agency for using unoccupied public housing units, or (3) acquiring existing dwellings or mobile homes or other readily fabricated dwellings, by purchase or lease, to be placed on sites furnished by the State or local government or by the owner-occupant displaced by the major disaster, with no site charge being made. Rentals shall be established for such accommodations, under such rules and regulations as the Director may prescribe, taking into account the financial ability of the occupant. In case of financial hardship, rentals may be

1 compromised, adjusted, or waived for a period not to exceed
2 twelve months, but in no case shall any such individual or
3 family be required to incur a monthly housing expense (in-
4 cluding any fixed expense relating to the amortization of
5 debt owing on a house destroyed or damaged in a major
6 disaster) which is in excess of 25 per centum of the monthly
7 income of the occupant or occupants.

8 EMERGENCY PUBLIC TRANSPORTATION

9 SEC. 307. The Director is authorized to provide an emer-
10 gency public transportation service in a major disaster area.
11 Such service will provide transportation to governmental
12 offices, supply centers, stores, post offices, major employ-
13 ment centers, and such other places as may be necessary in
14 order to enable the community to resume its normal pattern
15 of life as soon as possible. Such service shall be provided
16 only until regular public transportation is restored or pro-
17 vided on a regular basis, and shall not in any case be provided
18 for more than one year after the date of the major disaster
19 proclamation.

20 SMALL BUSINESS DISASTER LOANS

21 SEC. 308. (a) In the administration of the disaster loan
22 program under section 7(b)(1) of the Small Business Act,
23 as amended (15 U.S.C. 636(b)), in the case of property
24 loss or damage resulting from a major disaster the Small
25 Business Administration—

1 (1) to the extent such loss or damage is not com-
2 pensated for by insurance or otherwise, (A) shall at the
3 borrower's option on that part of any loan in excess of
4 \$500 cancel (i) the interest due on the loan, or (ii) the
5 principal of the loan, or (iii) any combination of such
6 interest or principal except that the total amount so can-
7 celed shall not exceed 50 per centum of the amount of
8 such loss or damage, or \$5,000, whichever is less, and
9 (B) may defer interest payments or principal payments,
10 or both, in whole or in part, on such loan during the first
11 three years of the term of the loan without regard to
12 the ability of the borrower to make such payments;

13 (2) may grant any loan for the repair, rehabilita-
14 tion, or replacement of property damaged or destroyed,
15 without regard to whether the required financial assist-
16 ance is otherwise available from private sources; and

17 (3) may in the case of the total destruction or sub-
18 stantial property damage of a home or business concern
19 refinance any mortgage or other liens outstanding against
20 the destroyed or damaged property if such financing is
21 for the repair, rehabilitation, or replacement of property
22 damaged or destroyed as a result of such disaster and
23 any such refinancing shall be subject to the provisions
24 of clauses (1) and (2) of this section.

1 (b) Section 7(b)(2)(A) of the Small Business Act
2 (15 U.S.C. 636(b)(2)(A)) is amended to read as follows:

3 “(A) a major disaster, as determined by the Presi-
4 dent under the Omnibus Disaster Assistance Act, or”.

5 (c) Section 7(f) of the Small Business Act (15 U.S.C.
6 636(f)) is amended by striking out “Section 2(a) of the
7 Act of September 30, 1950 (42 U.S.C. 1855a(a))” and
8 inserting in lieu thereof “Section 102(1) of the Omnibus
9 Disaster Assistance Act”.

10 FARMERS HOME ADMINISTRATION EMERGENCY LOANS

11 SEC. 309. In the administration of the emergency loan
12 program under subtitle C of the Consolidated Farmers Home
13 Administration Act of 1961, as amended (7 U.S.C. 1961-
14 1967), in the case of property loss or damage resulting
15 from a major disaster the Secretary of Agriculture—

16 (1) to the extent such loss or damage is not com-
17 pensated for by insurance or otherwise, (A) shall at
18 the borrower’s option on that part of any loan in
19 excess of \$500 cancel (i) the interest due on the loan,
20 or (ii) the principal of the loan, or (iii) any combination
21 of such interest or principal except that the total amount
22 so cancelled shall not exceed 50 per centum of the
23 amount of such loss or damage, or \$5,000, whichever is
24 less, and (B) may defer interest payments or principal

1 payments, or both, in whole or in part, on such loan
2 during the first three years of the term of the loan with-
3 out regard to the ability of the borrower to make such
4 payments;

5 (2) may grant any loan for the repair, rehabilita-
6 tion, or replacement of property damaged or destroyed,
7 without regard to whether the required financial assist-
8 ance is otherwise available from private sources; and

9 (3) may in the case of the total destruction or
10 substantial property damage of a home or business con-
11 cern refinance any mortgage or other liens outstanding
12 against the destroyed or damaged property if such
13 financing is for the repair, rehabilitation, or replace-
14 ment of property damaged or destroyed as a result of
15 such disaster and any such refinancing shall be subject
16 to the provisions of clauses (1) and (2) of this section.

17 LOANS HELD BY THE VETERANS' ADMINISTRATION

18 SEC. 310. Section 1820(f) of title 38, United States
19 Code, is amended to read as follows:

20 “(f) (1) The Administrator is authorized to refinance
21 any loan made or acquired by the Veterans' Administration
22 when he finds such refinancing necessary because of the loss
23 of or destruction or damage to, property securing such loan
24 as the result of a major disaster as determined by the Presi-
25 dent pursuant to the Omnibus Disaster Assistance Act.

1 “(2) The interest rate on any loan refinanced under this
2 subsection may be reduced to a rate equal to the average
3 annual interest rate on all interest-bearing obligations of the
4 United States having maturities of twenty years or more
5 and forming a part of the public debt as computed at the
6 end of the fiscal year next preceding the date of the loan,
7 adjusted to the nearest one-eighth of 1 per centum, and
8 the term thereof may be extended for such period as will
9 provide a maturity of not to exceed forty years, except that
10 the Administrator may authorize a suspension in the pay-
11 ment of principal and interest charges on, and an additional
12 extension in the maturity of, any such loan for a period
13 not to exceed five years if he determines that such action is
14 necessary to avoid severe financial hardship.

15 “(3) To the extent such loss or damage is not com-
16 pensated for by insurance or otherwise, the Administrator
17 shall, at the borrower's option on that part of any loan in
18 excess of \$500, cancel (A) the interest due on the loan,
19 or (B) the principal of the loan, or (C) any combination
20 of such interest or principal except that the total amount
21 so canceled shall not exceed 50 per centum of the amount
22 of such loss or damage, or \$5,000, whichever is less.”

23 DISASTER LOAN INTEREST RATES

24 SEC. 311. Notwithstanding any other provision of law,
25 any loan made under the authority of a disaster loan pro-

1 gram administered by any federal agency, for the purpose
2 of reconstruction, repair, or replacement of a structure
3 damaged or destroyed as the result of a major disaster,
4 or for the purpose of refinancing existing loans, mortgages,
5 or liens on a structure so damaged or destroyed, shall bear
6 interest at a rate not less than the average annual interest
7 rate on all interest-bearing obligations of the United States
8 having maturities of twenty years or more and forming a
9 part of the public debt as computed at the end of the fiscal
10 year next preceding the date of the loan, adjusted to the
11 nearest one-eighth of 1 per centum.

12 AGE OF APPLICANT FOR LOANS TO REBUILD HOMES

13 SEC. 312. In the administration of any Federal disaster
14 loan program in which a loan is requested for the purpose
15 of reconstructing, repairing, or replacing any residential
16 structure damaged or destroyed as the result of a major dis-
17 aster, or for the purpose of refinancing an existing obligation
18 on any such structure so damaged or destroyed, the age of
19 any adult loan applicant shall not be considered in deter-
20 mining whether such loan should be made or the amount
21 of such loan.

22 BUILDING STANDARDS FOR HOMES REBUILT

23 SEC. 313. (a) Any residential structure built with the
24 aid of a loan granted by a Federal agency as the result of
25 a major disaster shall be built in accordance with such mini-

1 mum standards of safety, decency, and sanitation as the Sec-
2 retary of Housing and Urban Development may prescribe
3 by regulation for such purpose, and in accordance with
4 applicable building codes.

5 (b) In order to carry out the provisions of this section,
6 the Secretary of Housing and Urban Development is
7 authorized—

8 (1) to consult with such other officials in the Fed-
9 eral, State, and local governments as he deems neces-
10 sary, in order that regulations prescribed under this sec-
11 tion shall—

12 (A) carry out the purpose of this section,
13 and

14 (B) have the necessary flexibility to be con-
15 sistent with requirements of other building regula-
16 tions, codes, and program requirements applicable;
17 and

18 (2) to promulgate such regulations as may be
19 necessary.

20 AID TO MAJOR SOURCES OF EMPLOYMENT

21 SEC. 314. (a) The Director is authorized to provide
22 any industrial, commercial, agricultural, or other enter-
23 prises, which have constituted the major sources of employ-
24 ment in an area suffering a major disaster, and which are

1 no longer in operation as a result of such disaster, such assist-
2 ance by means of grants, loans, or a combination thereof, as
3 may be necessary to enable such enterprises to resume opera-
4 tions in order to restore the economic viability of the disaster
5 area.

6 (b) Assistance under this section shall be in addition
7 to any other Federal disaster assistance provided, however,
8 such other assistance may be adjusted or modified to the
9 extent deemed appropriate by the Director under the au-
10 thority of section 329 of this Act. Any loans made under
11 this section shall be subject to the interest requirements of
12 section 311 of this Act, but the Director, if he deems it neces-
13 sary, may defer initial payments of principal and interest for
14 a period not to exceed three years.

15 FOOD COUPONS AND DISTRIBUTION

16 SEC. 315. (a) Whenever, as the result of a major dis-
17 aster, the Director determines that low-income households are
18 unable to purchase adequate amounts of nutritious food, he
19 is authorized, under such terms and conditions as he may
20 prescribe, to distribute through the Secretary of Agriculture
21 coupon allotments to such households pursuant to provisions
22 of the Food Stamp Act of 1964 and to make surplus com-
23 modities available pursuant to the provisions of section 304
24 of this Act.

1 (b) The Director is authorized to continue through the
2 Secretary of Agriculture to make such coupon allotments
3 and surplus commodities available to such households for so
4 long as he determines necessary, taking into consideration
5 such factors as he deems appropriate, including the conse-
6 quences of the major disaster on the earning power of the
7 households to which assistance is made available under this
8 section.

9 (c) Nothing in this section shall be construed as amend-
10 ing or otherwise changing the provisions of the Food Stamp
11 Act of 1964 except as it relates to the availability of food
12 stamps in a major disaster area.

13 UNEMPLOYMENT ASSISTANCE

14 SEC. 316. The Director is authorized to provide to any
15 individual unemployed as a result of a major disaster, such
16 assistance as he deems appropriate while such individual is
17 unemployed. Such assistance as the Director shall provide
18 shall not exceed the maximum amount and the maximum
19 duration of payments under the unemployment compensation
20 program of the State in which the disaster occurred and the
21 amount of assistance under this section to any such individual
22 shall be reduced by any amount of unemployment compen-
23 sation or of private income protection insurance available to
24 such individual for such period of unemployment.

1 RESTORATION OF FEDERAL FACILITIES

2 SEC. 317. The President is authorized upon a determina-
3 tion by him that such repair, reconstruction, or restoration is
4 of such importance and urgency that it cannot reasonably be
5 deferred pending the enactment of specific authorizing legis-
6 lation or the making of an appropriation, to authorize any
7 Federal agency to repair, reconstruct, or restore facilities
8 owned by the United States, under the jurisdiction of such
9 agency, which are damaged or destroyed in any major
10 disaster. In order to carry out the provisions of this section,
11 such repair, reconstruction, or restoration may be begun not-
12 withstanding a lack or an insufficiency of funds appropriated
13 for such purpose, where such lack or insufficiency can be
14 remedied by the transfer, in accordance with law, of funds
15 appropriated for another purpose.

16 REPAIR OF HIGHWAYS NOT PART OF FEDERAL-AID SYSTEM

17 SEC. 318. The Director is authorized to make a grant to
18 any States affected by a major disaster for the permanent
19 repair and reconstruction of those permanent street, road, and
20 highway facilities not on any of the Federal-aid systems
21 which were destroyed or damaged as a result of such a major
22 disaster. No funds shall be allocated under this section for
23 repair or reconstruction of such a street, road, or highway
24 facility unless the affected State agrees to pay not less than
25 50 per centum of all costs of such repair or reconstruction.

1 REPAIR OF CERTAIN STATE AND LOCAL GOVERNMENT

2 FACILITIES

3 SEC. 319. The Director is authorized to make a grant of
4 such sums as may be necessary to pay not more than 50 per
5 centum of eligible costs incurred to repair, restore, or recon-
6 struct any project of a State, county, municipal, or other
7 local government agency for flood control, navigation, irriga-
8 tion, reclamation, public power, sewage treatment, water
9 treatment, watershed development, or airport construction
10 which was damaged or destroyed as a result of a major
11 disaster, and of the resulting additional eligible costs incurred
12 to complete any such facility which was in the process of
13 construction when damaged or destroyed as a result of such
14 major disaster. Eligible costs are those costs determined by
15 the Director as incurred or to be incurred in (1) restoring
16 a public facility to substantially the same condition as existed
17 prior to the damage resulting from the major disaster, and
18 (2) completing construction not performed prior to the
19 major disaster to the extent the increase of such costs over
20 original construction costs is attributable to changed con-
21 ditions resulting from the major disaster. Payment under this
22 section shall be made to the State, or local governmental
23 agency which is constructing the public facility or for which
24 it is being constructed, except that if the economic burden
25 of the eligible costs of repair, restoration, reconstruction, or

1 completion is incurred by an individual, partnership, cor-
2 poration, agency, or other private entity (other than an
3 organization engaged in the business of insurance), the State
4 or local governmental agency shall pay such individual,
5 partnership, corporation, agency, or other private entity not
6 to exceed 50 per centum of those costs. Eligible costs shall
7 not include any costs for which payment is received pur-
8 suant to insurance contracts or otherwise by the party in-
9 curring the economic burden of such costs.

10 **COMMUNITY DISASTER LOAN FUND**

11 SEC. 320. (a) There is established within the Treasury
12 a Community Disaster Loan Fund from which the Director
13 may authorize loans to local governments for the purposes of
14 meeting payments of principal and interest on outstanding
15 bonded indebtedness and for providing the local share of any
16 Federal grant-in-aid program which is necessary to the res-
17 tortation of the area as the result of a major disaster. Such
18 loans shall be made only where the borrowing local govern-
19 ment has suffered a loss of more than 25 per centum of its tax
20 base and is otherwise unable to meet such payments or local
21 share obligations.

22 (b) Loans from the fund established by this section
23 shall be made for such periods as may be necessary, not to
24 exceed twenty years, at an interest rate equivalent to the
25 average annual interest rate on all outstanding interest-

1 bearing obligations of the United States which have a
2 maturity of twenty years or more, computed at the end of
3 the fiscal year next preceding the date of the loan, adjusted
4 to the nearest one-eighth of 1 per centum. The Director may
5 waive initial payments of interest and principal on such a
6 loan for a period not to exceed five years or half the term of
7 the loan, whichever is less.

8 (c) There is hereby authorized to be appropriated such
9 sums, not to exceed \$100,000,000, as may be necessary to
10 carry out the provisions of this section.

11 USE OF LOCAL FIRMS AND INDIVIDUALS

12 SEC. 321. In the expenditure of Federal funds for debris
13 clearance, distribution of supplies, reconstruction, and other
14 major disaster assistance activities which may be carried out
15 by contract with private organizations, firms, or individuals,
16 preference shall be given first to those persons who reside or
17 do business primarily in the disaster area, and second to those
18 persons residing or doing business primarily in the State in
19 which the disaster area is located.

20 FEDERAL GRANT-IN-AID PROGRAMS

21 SEC. 322. In the administration of Federal grant-in-aid
22 programs, any agency charged with the administration of
23 such a program is authorized to modify or waive, for the
24 duration of a major disaster proclamation, such conditions

1 for assistance, including matching funds, as would other-
2 wise prevent the giving of assistance under such programs
3 if the inability to meet such conditions is a result of the
4 disaster.

5 PRIORITY TO CERTAIN APPLICATIONS FOR PUBLIC FACILITY
6 AND PUBLIC HOUSING ASSISTANCE

7 SEC. 323. In the processing of applications for assist-
8 ance—

9 (1) under title II of the Housing Amendments of
10 1955, or any other Act providing assistance for the re-
11 pair, construction, or extension of public facilities;

12 (2) under the United States Housing Act of 1937
13 for the provision of low-rent housing;

14 (3) under section 702 of the Housing Act of 1954
15 for assistance in public works planning;

16 (4) under section 702 of the Housing and Urban
17 Development Act of 1965 providing for grants for public
18 facilities; or

19 (5) under section 306 of the Consolidated Farmers
20 Home Administration Act

21 priority and immediate consideration shall be given, during
22 such period as the President shall by proclamation prescribe,
23 to applications from public bodies situated in major disaster
24 areas.

1 FEDERAL LOAN ADJUSTMENTS

2 SEC. 324. (a) Where such action is found to be neces-
3 sary because of impairment of the economic feasibility of the
4 system, or loss, destruction, or damage of the property of
5 borrowers under programs administered by the Rural Elec-
6 trification Administration, resulting from a major disaster,
7 the Secretary of Agriculture is authorized to adjust and to
8 readjust the schedules for payment of principal and interest
9 on loans to such borrowers, and to extend the maturity dates
10 of such loans to a period not beyond forty years from the
11 dates of such loans. The authority herein conferred is in
12 addition to the loan extension authority provided in section
13 12 of the Rural Electrification Act.

14 (b) The Secretary of Housing and Urban Development
15 is authorized to refinance any note or other obligation which
16 is held by him in connection with any loan made by the
17 Department of Housing and Urban Development or its pred-
18 ecessor in interest, or which is included within the revolv-
19 ing fund for liquidating programs established by the Inde-
20 pendent Offices Appropriation Act of 1955, where he finds
21 such refinancing necessary because of the loss, destruction,
22 or damage to property or facilities securing such obligations
23 as a result of a major disaster. The interest rate on any

1 note or other obligation refinanced under this subsection may
2 be reduced to a rate not less than a rate equal to the average
3 annual interest rate on all interest-bearing obligations of
4 the United States having maturities of twenty years or more
5 and forming a part of the public debt as computed at the
6 end of the fiscal year next preceding the date of refinancing,
7 adjusted to the nearest one-eighth of 1 per centum, and the
8 term thereof may be extended for such period as will pro-
9 vide a maturity of not to exceed forty years from the date
10 of the loan. The Secretary may authorize a suspension in the
11 payment of principal and interest charges on, and an addi-
12 tional extension in the maturity of, any such loan for a
13 period not to exceed five years if he determines that such
14 action is necessary to avoid severe financial hardship.

TIMBER SALE CONTRACTS

16 SEC. 325. (a) Where an existing timber sale contract
17 between the Secretary of Agriculture or the Secretary of
18 the Interior and a timber purchaser does not provide relief
19 from major physical change not due to negligence of the
20 purchaser prior to approval of construction of any section of
21 specified road or other specified development facility and, as
22 a result of a major disaster a major physical change results
23 in additional construction work in connection with such road
24 or facility by such purchaser with an estimated cost as deter-
25 mined by the appropriate Secretary (1) of more than \$1,000

1 for sales under one million board feet, or (2) of more than
2 \$1 per thousand board feet for sales of one to three million
3 board feet, or (3) of more than \$3,000 for sales over three
4 million board feet, such increased construction cost shall
5 be borne by the United States.

6 (b) Where the Secretary determines that damages are
7 so great that restoration, reconstruction, or construction is
8 not practical under the cost-sharing arrangement authorized
9 by subsection (a) of this section, the Secretary may allow
10 cancellation of the contract notwithstanding provisions there-
11 in.

12 (c) The Secretary of Agriculture is authorized to re-
13 duce to seven days the minimum period of advance public
14 notice required by the first section of the Act of June 4, 1897
15 (16 U.S.C. 476), in connection with the sale of timber from
16 national forests, whenever the Secretary determines that (1)
17 the sale of such timber will assist in the construction of any
18 area of a State damaged by a major disaster, (2) the sale
19 of such timber will assist in sustaining the economy of
20 such area, or (3) the sale of such timber is necessary to sal-
21 vage the value of timber damaged in such major disaster or
22 to protect undamaged timber.

23 (d) The Director is authorized to make grants to any
24 State or political subdivision thereof for the purpose of re-
25 moving from privately owned lands timber damaged as a

1 result of a major disaster, and such State or political sub-
2 division is authorized, upon application, to make payments
3 out of such grants to any person for reimbursement of ex-
4 penses actually incurred by such person in the removal of
5 damaged timber, but not to exceed the amount that such
6 expenses exceed the salvage value of such timber.

7 PUBLIC LAND ENTRYMEN

8 SEC. 326. The Secretary of the Interior is authorized to
9 give any public land entryman such additional time in which
10 to comply with any requirement of law in connection with
11 any public land entry for lands affected by a major disaster
12 as the Secretary finds appropriate because of interference with
13 the entryman's ability to comply with such requirement as a
14 result of such major disaster.

15 PART C—GENERAL PROVISIONS

16 STATE DISASTER PLANS

17 SEC. 327. (a) The Director is authorized to provide
18 assistance to the States in developing comprehensive plans
19 and practicable programs for preparation against major dis-
20 asters, and for relief and assistance for individuals, businesses,
21 and local governments following such disasters. Such plans
22 should include long-range recovery and reconstruction assist-
23 ance plans for seriously damaged or destroyed public and
24 private facilities.

25 (b) The Director is authorized to make grants of not

1 more than \$250,000 to any State, upon application therefor,
2 for not to exceed 50 per centum of the cost of developing
3 such plans and programs.

4 (c) Any State desiring assistance under this section
5 shall designate or create an agency which is specially qualifi-
6 fied to plan and administer such a disaster relief program,
7 and shall, through such agency, submit a State plan to the
8 Director not later than December 31, 1971, which shall—

9 (1) set forth a comprehensive and detailed State
10 program for preparation against and relief following a
11 major disaster, including provisions for emergency and
12 long-term assistance to individuals, businesses, and local
13 governments, and

14 (2) include provision for the appointment of a State
15 coordinating officer to act in cooperation with the Fed-
16 eral coordinating officer appointed under section 301 of
17 this Act.

18 (d) As soon as practicable after December 31, 1971,
19 the Director shall make a report to the President, for sub-
20 mission to the Congress, containing his recommendations
21 for programs for the Federal role in the implementation and
22 funding of comprehensive disaster relief plans, and such
23 other recommendations relating to the Federal role in dis-
24 aster relief activities as he deems warranted.

1 USE AND COORDINATION OF PRIVATE RELIEF 2 ORGANIZATIONS

3 SEC. 328. (a) In providing relief and assistance follow-
4 ing a major disaster, the Director may utilize, with their
5 consent, the personnel and facilities of the American Na-
6 tional Red Cross, the Salvation Army, the Mennonite Board
7 of Missions and Charities, and other private relief organiza-
8 tions, in the distribution of medicine, food, supplies, or other
9 items, whenever the Director finds that distribution through
10 such organizations is necessary.

11 (b) The Director is authorized to enter into agreements
12 with the American National Red Cross and other private
13 relief organizations under which the disaster relief activities
14 of such organizations may be coordinated by the Federal
15 coordinating officer whenever such organizations are engaged
16 in providing relief during and after a major disaster. Any
17 such agreement shall include provisions conditioning use of
18 the facilities of the Office and the services of the coordinating
19 officer upon compliance with regulations promulgated by the
20 Director under section 330 of this Act, and such other regu-
21 lations as the Director may require.

DUPLICATION OF BENEFITS

23 SEC. 329. (a) The Director, in consultation with the
24 head of each department or agency of the Federal Govern-
25 ment administering any program providing financial assist-

1 ance to persons, business concerns, or other entities suffering
2 losses as the result of a major disaster, shall assure that no
3 such person, business concern, or other entity will receive
4 such assistance with respect to any part of such loss as to
5 which he has received financial assistance under any other
6 program.

7 (b) The Director shall assure that no person, business
8 concern, or other entity receives any Federal assistance for
9 any part of a loss suffered as the result of a major disaster if
10 such person, concern, or entity received compensation from
11 insurance or any other source for that part of such a loss.
12 Partial compensation for a loss or a part of a loss resulting
13 from a major disaster shall not preclude additional Federal
14 assistance for any part of such a loss not compensated other-
15 wise.

16 (c) Whenever the Director determines that (1) a
17 person, business concern, or other entity has received as-
18 sistance under this Act for a loss and that such person, busi-
19 ness concern or other entity received assistance for the same
20 loss from another source; and (2) that the amount received
21 from all sources exceeded the amount of the loss, he shall
22 direct such person, business concern, or other entity to pay
23 to the Treasury an amount, not to exceed the amount of
24 Federal assistance received, sufficient to reimburse the Fed-

1 eral Government for that part of the assistance which he
2 deems excessive.

3 **NONDISCRIMINATION IN DISASTER ASSISTANCE**

4 SEC. 330. (a) The Director shall make, alter and amend
5 such regulations as may be necessary for the guidance of
6 personnel carrying out emergency relief functions at the
7 site of a major disaster. Such regulations shall include pro-
8 visions for insuring that the distribution of supplies, the
9 processing of applications, and other relief and assistance
10 activities shall be accomplished in an equitable and impartial
11 manner, without discrimination on the grounds of race, color,
12 religion, nationality, sex, age, or economic status prior to
13 a major disaster.

14 (b) As a condition of participation in the distribution
15 of assistance or supplies under section 328, private relief
16 organizations shall be required to agree to comply with
17 Office regulations relating to nondiscrimination promulgated
18 by the Director, and such other regulations applicable to
19 activities within a major disaster area as he deems necessary
20 for the effective coordination of relief efforts.

21 **EMERGENCY SUPPLY DEPOTS**

22 SEC. 331. The Director is authorized to establish such
23 emergency supply depots as he deems necessary for the

1 accumulation of essential disaster relief equipment and
2 supplies.

3 ADVISORY PERSONNEL

4 SEC. 332. The Director is authorized to assign advisory
5 personnel to the chief executive officer of any State or local
6 government within a major disaster area, upon request by
7 such officer, whenever the Director determines that such
8 assignment is desirable in order to insure full utilization
9 of relief and assistance resources and programs.

10 FIRE SUPPRESSION GRANTS

11 SEC. 333. The Director is authorized to make grants
12 and loans to any State to assist in the suppression of any fire
13 on publicly or privately owned forest or grasslands which
14 threatens such destruction as would constitute a major
15 disaster.

16 DISASTER WARNINGS

17 SEC. 334. The Director is authorized to utilize or
18 to make available to other agencies the facilities of the
19 civil defense communications system established and main-
20 tained pursuant to section 201 (c) of the Federal Civil De-
21 fense Act of 1950, as amended (50 U.S.C. App. 2281 (c)),
22 for the purpose of providing needed warning to governmental

1 authorities and the civilian population in areas endangered
2 by imminent natural disasters.

3 **TITLE IV—THE NATIONAL MAJOR DISASTER
4 INSURANCE PROGRAM**

5 **BASIC AUTHORITY**

6 SEC. 401. (a) The Secretary of Housing and Urban
7 Development (hereafter in this title referred to as the
8 "Secretary") is authorized to establish and carry out a
9 national major disaster insurance program which will enable
10 interested persons to purchase insurance against loss result-
11 ing from physical damage to or loss of real property or
12 personal property related thereto arising from any major
13 disaster occurring in the United States.

14 (b) In carrying out the major disaster insurance pro-
15 gram the Secretary shall, to the maximum extent prac-
16 ticable, encourage and arrange for—

17 (1) appropriate financial participation and risk-
18 sharing in the program by insurance companies or other
19 insurers, and

20 (2) other appropriate participation on other than
21 a risk-sharing basis by insurance companies or other
22 insurers, insurance agents and brokers, and insurance
23 adjustment organizations.

24 **SCOPE OF PROGRAM AND PRIORITIES**

25 SEC. 402. (a) In carrying out the major disaster insur-

1 ance program the Secretary shall afford a priority to making
2 major disaster insurance available to cover residential prop-
3 erties which are designed for the occupancy of from one to
4 four families.

5 (b) If on the basis of—

6 (1) studies and investigations undertaken and car-
7 ried out and information received or exchanged under
8 section 404, and

9 (2) such other information may be necessary,

10 the Secretary determines that it would be feasible to extend
11 the major disaster insurance program to cover other proper-
12 ties, he may take such action under this title as from time
13 to time may be necessary in order to make major disaster
14 insurance available to cover, on such basis as may be feasible,
15 any types and classes of—

16 (A) other residential properties,

17 (B) business properties,

18 (C) agricultural properties,

19 (D) properties occupied by private nonprofit or-
20 ganizations, and

21 (E) properties owned by State and local govern-
22 ments and agencies thereof,

23 and any such extensions of the program to any types and
24 classes of these properties shall from time to time be pre-
25 scribed in regulations.

1 NATURE AND LIMITATION OF INSURANCE COVERAGE

2 SEC. 403. (a) The Secretary from time to time shall,
3 after consultation with the Director and appropriate repre-
4 sentatives of the insurance authorities of the respective States,
5 provide by regulation for general terms and conditions of in-
6 surability which shall be applicable to properties eligible
7 for major disaster insurance coverage under section 402, in-
8 cluding—

9 (1) the types, classes, and locations of any such
10 properties which shall be eligible for major disaster in-
11 surance;

12 (2) the nature of and limits of loss or damage in any
13 areas (or subdivisions thereof) which may be covered
14 by such insurance;

15 (3) the classification, limitation, and rejection of
16 any risks which may be advisable;

17 (4) appropriate minimum premiums;

18 (5) appropriate loss-deductibles; and

19 (6) any other terms and conditions relating to
20 insurance coverage or exclusion which may be necessary
21 to carry out the provisions of this title.

22 (b) In addition to any other terms and conditions under
23 subsection (a), such regulations shall provide that—

24 (1) any major disaster insurance coverage based

1 on chargeable premium rates (under section 405) which
2 are less than estimated premium rates (under section
3 404 (a) (1)), shall not exceed—

4 (A) in the case of residential properties which
5 are designed for the occupancy of from one to four
6 families,

7 (i) \$15,000 aggregate liability for any
8 dwelling unit, and \$30,000 for any single dwell-
9 ing structure containing more than one dwelling
10 unit, and

11 (ii) \$5,000 aggregate liability per dwell-
12 ing unit for any contents related thereto; and

13 (B) in the case of any other properties which
14 may become eligible for major disaster insurance
15 coverage under section 402, \$30,000 aggregate
16 liability for any single structure; and

17 (2) any major disaster insurance coverage which may
18 be made available in excess of any of the limits specified
19 in subparagraphs (A) and (B) shall be based only on
20 chargeable premium rates (under section 405) which
21 are not less than estimated premium rates (under
22 section 404 (a) (1)), and the amount of such excess
23 coverage shall not in any case exceed an amount which
24 is equal to any such limit so specified.

1 ESTIMATES OF PREMIUM RATES

2 SEC. 404. (a) The Secretary is authorized to under-
3 take and carry out such studies and investigations, and to
4 receive or exchange such information as may be necessary,
5 to estimate on an area, subdivision, or other appropriate
6 basis—

7 (1) the risk premium rates for major disaster
8 insurance which

9 (A) based on consideration of the risk involved
10 and accepted actuarial principles, and

11 (B) including—

12 (i) applicable operating costs and allow-
13 ances prescribed under section 408 to be re-
14 flected in such rates, and

15 (ii) any administrative expenses (or por-
16 tion of such expenses) of carrying out the major
17 disaster insurance program which, in his discre-
18 tion, should properly be reflected in such rates,

19 would be required in order to make such insurance avail-
20 able on an actuarial basis for any types and classes of
21 properties for which insurance coverage shall be avail-
22 able under section 402; and

23 (2) the rates, if less than the rates estimated under
24 paragraph (1), which would be reasonable, would en-
25 courage prospective insureds to purchase major disaster

1 insurance, and would be consistent with the purposes of
2 this title.

3 (b) In carrying out subsection (a), the Secretary shall,
4 to the maximum extent feasible and on a reimbursement
5 basis, utilize the services of the Department of the Army,
6 the Department of the Interior, the Department of Agriculture,
7 the Department of Commerce, and the Tennessee Valley
8 Authority, and, as appropriate, other federal departments
9 or agencies, and for such purposes, may enter into agreements
10 or other appropriate arrangements with any persons.

11 ESTABLISHMENT OF CHARGEABLE PREMIUM RATES

12 SEC. 405. (a) On the basis of estimates made under
13 section 404 and such other information as may be necessary,
14 the Secretary from time to time shall, after consultation with
15 the Director and appropriate representatives of the insurance
16 authorities of the respective States, by regulation prescribe—

17 (1) chargeable premium rates for any types and
18 classes of properties for which insurance coverage shall
19 be available under section 402 (at less than the estimated
20 risk premium rates under section 404(a)(1), if necessary); and

22 (2) the terms and conditions under which and
23 areas (including subdivisions thereof) within which such
24 rates shall apply.

1 (b) Such rates shall, insofar as practicable, be—

2 (1) based on a consideration of the respective risks
3 involved,

4 (2) adequate, on the basis of accepted actuarial
5 principles, to provide reserves for anticipated losses, or, if
6 less than such amount, consistent with the objective of
7 making major disaster insurance available, where neces-
8 sary, at reasonable rates so as to encourage prospective in-
9 sureds to purchase such insurance, and

10 (3) stated so as to reflect the basis for such rates,
11 including the differences (if any) between the estimated
12 risk premium rates under paragraph (1) of section
13 404 (a), and the estimated rates under paragraph (2)
14 of such section.

15 (c) Any chargeable premium rate prescribed under this
16 section is—

17 (1) at a rate which is not less than the estimated
18 risk premium rate under section 404 (a) (1), and

19 (2) such rate includes any amount for administra-
20 tive expenses of carrying out the major disaster insur-
21 ance programs which have been estimated under clause
22 (ii) of section 404 (a) (1) (B),

23 a sum equal to such amount shall be paid to the Secretary,
24 and he shall deposit such sum in the fund authorized under
25 section 407.

1 TREASURY BORROWING AUTHORITY

2 SEC. 406. (a) The Secretary is authorized to issue to
3 the Secretary of the Treasury from time to time and have
4 outstanding at any one time, in an amount not exceeding
5 \$500,000,000 (or such greater amount as may be approved
6 by the President), notes or other obligations in such forms
7 and denominations, bearing such maturities, and subject to
8 such terms and conditions as may be prescribed by the
9 Administrator, with the approval of the Secretary of the
10 Treasury. Such notes or other obligations shall bear interest
11 at a rate determined by the Secretary of the Treasury,
12 taking into consideration the current average market yield
13 on the outstanding marketable obligations of the United
14 States of comparable maturities during the month preceding
15 the issuance of such notes or other obligations. The Secretary
16 of the Treasury is authorized and directed to purchase any
17 notes and other obligations to be issued under this subsection,
18 and for such purpose he is authorized to use as a public
19 debt transaction the proceeds from the sale of any securities
20 issued under the Second Liberty Bond Act, as amended,
21 and the purposes for which securities may be issued under
22 such Act, as amended, are extended to include any pur-
23 chases of such notes and obligations.

24 The Secretary of the Treasury may at any time sell
25 any of the notes or other obligations acquired by him under

1 this section. All redemptions, purchases, and sales by the
2 Secretary of the Treasury of such notes or other obligations
3 shall be treated as public debt transactions of the United
4 States.

5 (b) Any funds borrowed by the Secretary under this
6 authority shall, from time to time, be deposited in the
7 National Major Disaster Insurance Fund established under
8 section 407.

9 NATIONAL MAJOR DISASTER INSURANCE FUND

10 SEC. 407. (a) To carry out the major disaster insur-
11 ance program authorized by this title, the Secretary is
12 authorized to establish in the Treasury of the United States
13 a National Major Disaster Insurance Fund (hereinafter
14 referred to as the "fund") which shall be available, without
15 fiscal year limitation—

16 (1) to repay to the Secretary of the Treasury such
17 sums as may be borrowed from him (together with
18 interest) in accordance with the authority provided in
19 section 406 of this title; and

20 (2) to pay such administrative expenses (or por-
21 tion of such expenses) of carrying out the major disaster
22 insurance program as he may deem necessary; and

23 (3) to pay claims and other expenses and costs of
24 the major disaster insurance program, as the Secretary
25 deems necessary.

1 (b) The fund shall be credited with—

(1) such funds borrowed in accordance with the authority provided in section 406 of this Act as may from time to time be deposited in the fund;

5 (2) such amounts as may be advanced to the fund
6 from appropriations in order to maintain the fund in
7 an operative condition adequate to meet its liabilities;

(3) interest which may be earned on investments of the fund pursuant to subsection (c);

10. (4) such sums as are required to be paid to the
11. Secretary under section 405 (d); and

12 (5) receipts from any other operations under this
13 title which may, from time to time, be credited to the
14 fund (including premiums and salvage proceeds, if any,
15 resulting from reinsurance coverage).

16 (c) If, after all outstanding obligations have been
17 liquidated, the Secretary determines that the moneys of the
18 fund are in excess of current needs, he may request the in-
19 vestment of such amounts as he deems advisable by the Secre-
20 tary of the Treasury in obligations issued or guaranteed by
21 the United States.

PAYMENT OF CLAIMS

23 SEC. 408. The Secretary is authorized to prescribe regu-
24 lations establishing the general method or methods by which
25 proved and approved claims for losses may be adjusted and

1 paid for any damage to or loss of property which is covered
2 by major disaster insurance made available under the pro-
3 visions of this Act.

4 DISSEMINATION OF MAJOR DISASTER INSURANCE
5 INFORMATION

6 SEC. 409. The Secretary shall take such action as may,
7 from time to time, be necessary in order to make information
8 and data available to the public and to any State or local
9 agency or official, with regard to—

- 10 (1) the major disaster insurance program, its cover-
11 age and objectives, and
12 (2) estimated and chargeable major disaster insur-
13 ance premium rates, including the basis for and differ-
14 ences between such rates in accordance with the provi-
15 sions of section 405.

16 PROHIBITION AGAINST CERTAIN DUPLICATIONS
17 OF BENEFITS

18 SEC. 410. (a) Notwithstanding the provisions of any
19 other law, no Federal disaster assistance shall be made avail-
20 able to any owner of real property for the physical loss,
21 destruction, or damage of such property, to the extent that
22 such loss, destruction, or damage

- 23 (1) is covered by a valid claim which may be ad-
24 justed and paid under major disaster insurance made
25 available under the authority of this title, or

1 (2) could have been covered by a valid claim under
2 major disaster insurance which had been made avail-
3 able under the authority of this title, if—

4 (A) such loss, destruction, or damage occurred
5 subsequent to one year following the date major
6 disaster insurance was made available in the area
7 (or subdivision thereof) in which such property or
8 the major part thereof was located, and

9 (B) such property was eligible for major disaster
10 insurance under this title at that date,

11 and in such circumstances the extent that such loss, de-
12 struction, or damage could have been covered shall be
13 presumed (for purposes of this subsection) to be an
14 amount not less than the maximum limit of insurable
15 loss or damage applicable to such property in such area
16 (or subdivision thereof), pursuant to regulations under
17 section 403, at the time insurance was made available
18 in such area (or subdivision thereof).

19 (b) For purposes of this section “Federal disaster assist-
20 ance” shall include any Federal financial assistance which
21 may be made available to any person as a result of—

22 (1) a major disaster,

23 (2) a natural disaster, as determined by the Sec-
24 retary of Agriculture pursuant to section 321 of the

1 Consolidated Farmers Home Administration Act of
2 1961 (7 U.S.C. 1961), and

3 (3) a disaster with respect to which loans may be
4 made under section 7(b) of the Small Business Act, as
5 amended (15 U.S.C. 636(b)).

6 (c) For purposes of section 329 of this Act, the term
7 "financial assistance" includes any major disaster insurance
8 which is made available under this title.

9 PROPERTIES IN VIOLATION OF STATE AND LOCAL LAW

10 SEC. 411. (a) No new major disaster insurance coverage
11 shall be provided under this Act for any property which the
12 Secretary finds has been declared by a duly constituted
13 State or local zoning authority, or other authorized public
14 body, to be in violation of State or local laws, regulations,
15 or ordinances which are intended to discourage or otherwise
16 restrict land development or occupancy in disaster-prone
17 areas.

18 COORDINATION WITH OTHER PROGRAMS

19 SEC. 412. (a) In carrying out this title, the Secretary,
20 in cooperation with the Director, shall consult with other
21 departments and agencies of the Federal Government, and
22 interstate, State, and local agencies having responsibilities
23 for major disaster assistance in order to assure that the
24 programs of such agencies and the major disaster insurance
25 program authorized under this title are mutually consistent.

1 (b) The Veterans' Administration, the Federal Hous-
2 ing Administration, and any other Federal agency adminis-
3 tering a program under which loans or mortgages on resi-
4 dential or other structures are guaranteed or insured by the
5 Federal Government, shall, by regulation, require that any
6 such structure be insured under the major disaster insurance
7 program administered by the Secretary.

8 TERMINATION OF AUTHORITY

9 SEC. 413. The Secretary shall not establish or carry out
10 the major disaster insurance program authorized by this
11 title if he finds and certifies to the President and the Congress
12 not later than June 30, 1971, that major disaster insurance
13 with coverage equal to or more extensive than that which
14 would be provided under this title has been made available
15 on reasonable terms by private insurance companies. The
16 provisions of this title shall have no effect from and after
17 such certification by the Secretary.

18 TITLE V—MISCELLANEOUS

19 TECHNICAL AMENDMENTS

20 SEC. 501. (a) Section 701(a)(3)(B)(ii) of the
21 Housing Act of 1954 (40 U.S.C. 461(a)(3)(B)(ii)) is
22 amended to read as follows: "(ii) have suffered substantial
23 damage as a result of a major disaster as determined by
24 the President pursuant to the Omnibus Disaster Assistance
25 Act;"

1 (b) Section 8(b)(2) of the National Housing Act
2 (12 U.S.C. 1706c(b)(2)) is amended by striking out of
3 the last proviso the words "section 2(a) of the Act entitled
4 'An Act to authorize Federal assistance to States and local
5 governments in major disasters, and for other purposes'
6 (Public Law 875, Eighty-first Congress, approved Septem-
7 ber 30, 1950)" and inserting in lieu thereof the words "sec-
8 tion 102(1) of the Omnibus Disaster Assistance Act".

9 (c) Section 203(h) of the National Housing Act (12
10 U.S.C. 1709(h)) is amended by striking out "section 2(a)
11 of the Act entitled 'An Act to authorize Federal assistance
12 to States and local governments in major disasters and for
13 other purposes' (Public Law 875, Eighty-first Congress,
14 approved September 30, 1950), as amended" and inserting
15 in lieu thereof "section 102(1) of the Omnibus Disaster
16 Assistance Act".

17 (d) Section 221(f) of the National Housing Act (12
18 U.S.C. 1715l(f)) is amended by striking out of the last
19 paragraph the words "the Act entitled 'An Act to authorize
20 Federal assistance to States and local governments in major
21 disasters, and for other purposes', approved September 30,
22 1950, as amended (42 U.S.C. 1855-1855g)" and inserting
23 in lieu thereof the words "the Omnibus Disaster Assistance
24 Act".

25 (e) Section 7(a)(1)(A) of the Act of September

1 30, 1950 (20 U.S.C. 241-1(a)(1)(A)), is amended
2 by—

3 (1) striking out “Office of Emergency Planning”
4 and inserting in lieu thereof “Office of Disaster Assist-
5 ance”; and

6 (2) striking out “pursuant to section 2(a) of the
7 Act of September 30, 1950 (42 U.S.C. 1855a(a))” and
8 inserting in lieu thereof the following: “pursuant to
9 section 102(1) of the Omnibus Disaster Assistance Act”.

10 (f) Section 16(a) of the Act of September 23, 1950
11 (79 Stat. 1158; 20 U.S.C. 646(a)) is amended by—

12 (1) striking out “the Director of the Office of
13 Emergency Planning” and inserting in lieu thereof “the
14 Director of the Office of Disaster Assistance”; and

15 (2) striking out “section 2(a) of the Act of Sep-
16 tember 30, 1950 (42 U.S.C. 1855a(a))” and inserting
17 in lieu thereof “section 102(1) of the Omnibus Disaster
18 Assistance Act”.

19 (g) Section 408(a) of the Higher Education Facilities
20 Act of 1963 (20 U.S.C. 758(a)) is amended by striking
21 out “section 2(a) of the Act of September 30, 1950 (42
22 U.S.C. 1855a(a))” and inserting in lieu thereof the follow-
23 ing: “section 102(1) of the Omnibus Disaster Assistance
24 Act”.

1 (h) Section 165 (h) (2) of the Internal Revenue Code
2 of 1954, relating to disaster losses (26 U.S.C. 165 (h) (2))
3 is amended to read as follows:

4 “(2) occurring in an area subsequently determined
5 by the President of the United States to warrant assist-
6 ance by the Federal Government under the Omnibus
7 Disaster Assistance Act.”.

8 (i) Section 5064 (a) of the Internal Revenue Code of
9 1954 (26 U.S.C. 5064(a)), relating to losses caused by
10 disaster, is amended by striking out “the Act of September
11 30, 1950 (42 U.S.C. 1855)” and inserting in lieu thereof
12 “the Omnibus Disaster Assistance Act”.

13 (j) Section 5708 (a) of the Internal Revenue Code of
14 1954 (26 U.S.C. 5708(a)), relating to losses caused by
15 disaster, is amended by striking out “the Act of September
16 30, 1950 (42 U.S.C. 1855)” and inserting in lieu thereof
17 “the Omnibus Disaster Assistance Act”.

18 (k) Section 3 of the Act of June 30, 1954 (68 Stat.
19 330; 48 U.S.C. 1681), is amended by striking out of the
20 last sentence the words “section 2 of the Act of September
21 30, 1950 (64 Stat. 1109), as amended (42 U.S.C. 1855a)”
22 and inserting in lieu thereof the following: “section 102
23 (1) of the Omnibus Disaster Assistance Act”.

24 (l) Whenever reference is made in any provision of
25 law (other than this Act), regulation, rule, record, or docu-

1 ment of the United States to (1) the Office of Civil Defense,
2 or (2) the Act of September 30, 1950 (64 Stat. 1109),
3 or any provision of such Act, such reference shall be deemed
4 to be a reference to (1) the Office of Disaster Assistance, or
5 (2) the Omnibus Disaster Assistance Act, respectively.

6 REPEAL OF EXISTING LAW

7 SEC. 502. The following Acts are hereby repealed:

8 (1) the Act of September 30, 1950 (64 Stat.
9 1109);

10 (2) the Disaster Relief Act of 1966 (80 Stat.
11 1316); and

12 (3) the Disaster Relief Act of 1969 (83 Stat.
13 125).

14 AUTHORIZATION OF APPROPRIATIONS

15 SEC. 503. There are hereby authorized to be appro-
16 priated, except as provided otherwise in this Act, such sums
17 as may be necessary to carry out the provisions of this Act.

A BILL

To create, within the Office of the President, an Office of Disaster Assistance, to revise and expand Federal programs for relief from the effects of major disasters, and for other purposes.

By Mr. BAXH, Mr. BIBLE, Mr. BROOKE, Mr. CRANSTON, Mr. EAGLETON, Mr. EASTLAND, Mr. FONG, Mr. GRAVEL, Mr. HARRIS, Mr. HART, Mr. HARTKE, Mr. HUGHES, Mr. INOUYE, Mr. JAVITS, Mr. KENNEDY, Mr. McGEE, Mr. MILLER, Mr. MONDALE, Mr. MUSKIE, Mr. PELL, Mr. RANDOLPH, Mr. SONG, Mr. STEVENS, Mr. TYDINGS, Mr. WILLIAMS of New Jersey, Mr. YARBOROUGH, and Mr. Young of Ohio

MARCH 20, 1970

Read twice and referred to the Committee on Public Works



disasters, and for other purposes; to the Committee on Public Works, by unanimous consent.

(The remarks of Mr. BAYH when he introduced the bill appear later in the RECORD under the appropriate heading.)

By Mr. GRIFFIN:

S. 3620. A bill for the relief of Anastasia Pertsovitch; to the Committee on the Judiciary.

~~S. 3616—INTRODUCTION OF A BILL TO PROVIDE DIRECT FEDERAL AID TO LOCAL GOVERNMENTS AFFECTED BY CRIME EMANATING FROM FEDERAL ENCLAVES~~

Mr. TYDINGS: Mr. President, in enacting the Omnibus Crime Control and Safe Streets Act of 1968, Congress intended to embark upon a major effort to financially aid our State and local law enforcement systems in their efforts to combat crime. After 2 years of operation, it is now all too obvious that the Federal effort is not measuring up to expectations. A principle reason for this is that Federal anticrime funds are not sufficiently reaching the areas of high crime incidence where the money is needed the most. The Federal Government's failure in this regard is egregiously compounded in cases where the localities being denied adequate Federal anti-crime funds suffer from lawlessness which emanates from the activities of the Federal Government itself.

That the Federal Government is contributing to the groundswell of crime which is afflicting many local communities is woefully apparent. In the prosecution of programs essential to the national defense and general welfare, the Federal Government occupies hundreds of thousands of acres of land, brings together hundreds of thousands of Americans and establishes large Federal enclaves, such as military installations, space centers and, of course, the Nation's Capital. We know that a substantial amount of crime committed by persons living or working on these Federal enclaves spills over its borders and often produces a stunning impact on the law enforcement systems of adjacent communities. In impacted localities, already overworked police units are presented with additional crime with which to cope, criminal court dockets are further congested and delayed, and prisons, ever more crowded.

Notwithstanding the impact which the Federal presence is having on law enforcement systems of contiguous communities, the Federal Government has not assumed its fair share of the law enforcement costs. This is because property under Federal ownership or control generally is not subject to local taxation. Moreover, the resources which it occupies and which might otherwise generate money to fight crime have been left untapped. As a result, already hard pressed local taxpayers must pay ever higher taxes for the increased effort needed to combat the incoming crime.

Furthermore, when it comes time to dole out Federal Safe Street Act funds, these communities which have experienced crime's impact by reason of nearby Federal activities must wait their turn in

line with no guarantee that they will not go away empty handed.

The problem of crime impacting local communities by reason of their adjacency to a Federal enclave is unfortunately well illustrated in the communities surrounding the District of Columbia. The Committee on the District of Columbia, of which I am chairman, has engaged in an in-depth examination of the spillover of crime from the District of Columbia to the suburbs of Maryland and Virginia. Our hearings have adduced information evidencing the seriousness of the problem, especially in such areas as narcotics, robbery, burglary, and organized theft.

The criticality of the problem is reflected by the type and amount of crime spilling from the District of Columbia into Prince Georges County. During the period between May 20, 1968, and February 6, 1969, 90.7 percent of the robberies in this county occurred within a few miles of the District of Columbia. Sixty-three percent of the suspects arrested for these robberies were residents of the District of Columbia. Moreover, for calendar year 1969, 49 percent of all robberies in Prince Georges County were committed by Washington residents. Statistics also reveal that a high percentage of other serious crimes in Prince Georges County were committed by District of Columbia residents. No wonder William J. Kersay, the sheriff of Prince Georges County, testified that—

Crime spill-over from Washington, D.C., has become a major factor in the lives of Prince Georges County citizens, especially those that live on or near the District line.

These statistics bespeak of large increases in law enforcement effort and taxpayer expenses. During 1969, the Prince Georges County fugitive squad spent 166 man-days in District of Columbia court just in order to return 103 fugitives back to the county. An even greater illustration of the added burden is the fact that approximately 40 percent of the inmates in Prince Georges County jails are District of Columbia residents.

The problem of crime spillover also has been seriously impacting local communities surrounding our large military bases, such as Fort Bragg, N.C., 51,000 servicemen; Fort Lewis, Wash., 45,000 servicemen; Camp Pendleton, Calif., 40,000 servicemen; Fort Dix, N.J., 37,000 servicemen; and Fort Knox, Ky., 35,000 servicemen. Law enforcement officers near these large installations have informed me that up to 70 percent of the crime in their communities is committed by servicemen. Because of a recent Supreme Court decision, the impact of this crime on local law enforcement efforts looms even larger.

Last year in O'Callahan against Parker, the Supreme Court significantly restricted court-martial jurisdiction by holding that a serviceman may not be tried by a military court for crimes which are not service connected. Applying O'Callahan, the Military Court of Appeals has held that military courts are without jurisdiction to try servicemen who while in civilian clothes commit against civilians off-post offenses such as murder, assault, rape, armed robbery,

burglary, larceny, drug possession, and automobile theft. It will now be up to civilian authorities to investigate, apprehend, try, and imprison the servicemen who perpetrate these crimes. This obviously will generate an ever heavier work load upon the criminal justice system of local communities adjacent to military enclaves. The police and the prisons will be further burdened. And, as Prof. Robinson O. Everett of Duke Law School has observed, "the dockets of civil courts will be further congested."

In assisting State and local communities to combat crime it is clearly the first responsibility of the Federal Government to come to the aid of those communities that experience crime as a result of the activities of the Federal Government itself. So far the Federal Government has failed to satisfy this primary obligation.

Mr. President, today I am introducing legislation which is designed to remedy this regrettable oversight. My proposal, which amends title I of the Omnibus Crime Control and Safe Streets Act, empowers the Law Enforcement Assistance Administration to make grants directly to units of general local government, combinations of such units, and any regional commission composed of representatives from two or more such units that are adjacent to any Federal enclave. The purpose of the grants is to plan, develop, improve or implement any law enforcement plan or project designed to prevent or control the commission of crime emanating from a Federal enclave. The Federal Government will foot 80 percent of the cost of the local plans. The Federal funds necessary to finance such programs will be drawn from the 85-percent block grant fund. However, these direct grants will in no way influence the size of the grant to States in which the eligible units of local government are located.

I ask unanimous consent that my bill be printed in the RECORD at this point.

The PRESIDING OFFICER (Mr. ALLEN). The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 3616) to amend title I of the Omnibus Crime Control and Safe Streets Act to provide direct financial assistance to units of local government upon which the presence of the Federal Government has produced additional law enforcement burdens, introduced by Mr. TYDINGS (for himself, Mr. BIELE, Mr. COOK, and Mr. HOLLINGS), was received, read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows.

S. 3616

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Omnibus Crime Control and Safe Streets Act of 1968 (82 Stat. 197), Title I, is amended as follows:

1. Section 305 is amended:

(a) by renumbering the present section as subsection 305(a) and inserting after the last word in the subsection the words "except as set forth in subsection 305(b)"; and

(b) by inserting the following new subsection after subsection 305(a):

"(1) In recognition of the responsibility of the United States for the impact which the Federal presence has on law enforcement in adjacent units of local government, Congress declares it to be the policy of the United States to provide direct financial assistance to units of local government upon which the presence of the Federal Government has produced additional law enforcement burdens.

"(2) The Administration is authorized to make grants directly to the units of general local government, combinations of such units, and any regional commission composed of representatives from two or more such units which are adjacent to the District of Columbia; a United States military installation, or any other federal enclave for the purpose of planning, developing, improving or implementing any criminal justice or law enforcement plan or project designed to deter, control or facilitate the administration of criminal justice with regard to the commission of crime, in such units, which is influenced by the proximity of the federal presence. These grants shall in no wise affect the size of the grant made under this Act to the States in which the eligible units of local government are located.

"(3) No grant under this subsection to an eligible recipient shall be for an amount in excess of 80 percentum of the cost of the project or program specified in the application for such grant.

"(4) An eligible recipient seeking a grant under this subsection shall submit to the Administration a plan which specifies [a] the law enforcement problem or problems produced or exacerbated by the contiguity of the federal enclave; [b] the plan or project designed to solve such problem or problems; [c] the budget of such plan or project; [d] the intent and ability of the recipient to contribute no less than 20 percentum of the cost of such plan or project in funds, facilities or services of any combination thereof; [e] the policies and procedures designed to assure that Federal funds made available for such plan or project will not be used to supplant local funds, but increase the amounts of such funds that would, in the absence of such Federal funds, be made available for law enforcement; [f] procedures for fiscal control and fund accounting which assure proper disbursement of and accounting of funds received under this subsection; [g] the relationship of the plan to other relevant State or local law enforcement plans and systems; and [h] certification that a copy of the plan or project has been submitted to the chief executive of the State or States in which the unit or units of local government involved in the plan or project are located.

"(5) The Administration shall allocate funds to the eligible recipients on the basis of population, the degree of contiguity with the federal enclave, the evaluation, if any, of the chief executive of the State in which the involved local units or units of government are located, and any other factor which, in the judgment of the Administration, would assure a fair and effective distribution of funds. The Administration shall make no grant prior to 60 days after the chief executive of the State has received a copy of the plan."

2. Section 306 is amended by inserting after the word "populations" and before the word "and" the words "and the recipients set forth in subsection 305(b)".

S. 3619—INTRODUCTION OF A BILL TO PROVIDE COMPREHENSIVE DISASTER ASSISTANCE

Mr. BAYH. Mr. President, I introduce, for appropriate reference, a bill to provide a comprehensive program of assistance to individuals, organizations, and

communities suffering losses in major disasters. Although Congress has enacted during the past 20 years a number of beneficial disaster relief laws, many of these have been limited in scope, temporary in duration, and retroactive responses to particular catastrophes. Moreover, the basic disaster assistance act of 1950—Public Law 81-875—was directed almost entirely toward the public sector; even though amendments have been added from time to time, especially in 1966 and 1969, which were designed to extend a helping hand to families and businesses, the severe financial losses and personal hardships often incurred by many helpless victims of major disasters are eligible for minimal assistance only.

Understandably, much of the present disaster relief legislation has been piecemeal in nature. Through the years new provisions have been added in accordance with immediate demonstrated needs in reaction to specific situations. Moreover, the bulk of the 1969 act—Public Law 91-79—while general in scope, will expire on December 31, 1970. Scheduled to terminate on that date are important sections dealing with disaster assistance for the repair and reconstruction of roads and highways not on any Federal-aid system, timber sale contracts, the \$1,800 forgiveness feature of Small Business Administration and Farmers Home Administration loans, expanded authority to provide temporary dwelling, food stamp allotments for low income families, and unemployment assistance for those not eligible to receive compensation under other State programs.

The advantages to be gained from codifying the many, diverse disaster assistance statutes, as well as the need at least to extend the life of the essential provisions of the 1969 act, by themselves would be sufficient justification for a careful examination by Congress of the whole matter of disaster relief. But there is an even more overriding factor which seems to necessitate prompt and vigorous action by the National Government in this field. Recent hearings conducted by the Senate Special Subcommittee on Disaster Relief, for which I am chairman, on the Federal role in providing assistance to the thousands of people and scores of communities in Mississippi, Louisiana, and Virginia which suffered devastating losses in the wake of Hurricane Camille, have convinced members of the subcommittee that certain new approaches should be considered.

Hurricane Camille was the largest known destructive force of wind and water ever to strike the United States. However, the physical damage it caused and the human problems it created, while possibly more extensive and longer lasting, were almost identical in kind with those following other similar major disasters. Tornadoes, earthquakes, floods, hurricanes, and other catastrophes have occurred, and no doubt will continue to occur, in astounding numbers in the United States. During the last 20 years alone the havoc caused by these natural phenomena has been so great that the President has declared the existence of major disasters in more than 280 areas, an average of about 14 each year. During some of the last few years the number

has been considerably higher than the average; for instance, there were 25 major disaster declarations in both 1964 and 1965, 19 in 1968, and an all-time high of 29 was reached in 1969. Already in 1970, with less than 3 months elapsed, there have been three such declarations. No doubt the approaching spring flood and tornado season will again witness an upsurge in major disasters. It must be remembered, of course, that these statistics do not include the many other hundreds of serious storms or floods which result in large losses but are not deemed sufficiently extensive to be classified as major disasters.

It is interesting to note that, while property losses attributed to violent acts of nature have greatly increased through the years, loss of life and limb has generally decreased. The development of sophisticated weather forecasting and warning techniques and the ability to track and to map out the expected paths of great storms have permitted the evacuation of large numbers of people from endangered territories who otherwise might have been killed or injured. On the other hand, the concentration of large and expensive residential, commercial, and industrial facilities in relatively small areas, coupled with general escalation of overall values, has meant huge increases in property losses incurred by certain major disasters. For instance, the terrible Galveston flood at the beginning of the 20th century cost more than 6,000 lives and some \$30 million property damage; in contrast, it has been estimated by the Office of Emergency Preparedness that 69 years later Camille caused 248 deaths but about \$1.5 billion in property damages. The authors of the leading work about the costs of major disasters—D. C. Dacy and Howard Kunreuther, "The Economics of Natural Disasters"—tentatively estimate that the "average damage to the United States from hurricanes, floods, tornadoes, and earthquakes has exceeded \$600 million annually" in recent years.

The fact that economic loss attributed to unexpected natural catastrophes has soared so dramatically points to the needs for new approaches to the problem. While our ability to curtail loss of life or diminish personal injuries caused by certain types of major disasters has greatly improved, damages inflicted on property have soared in real costs. For example, Dacy and Kunreuther reported a marked decline from 4,650 to 762 in the number of lives lost in the United States because of hurricanes, floods, tornadoes, and earthquakes during two comparable 5-year periods—1925-29 and 1960-65—in the last half century. In contrast, during that interim the property damages increased—in 1964 price levels—from \$1.5 billion to more than \$2.6 billion for the same periods. At the same time, the role of the Federal Government in extending assistance to the victims of disasters has substantially increased.

Although the type and quantity of damage caused by major disasters varies according to their location, scope, and intensity, I have been impressed by the similarity of the tragedy often inflicted on those unfortunate enough to have been subjected to these perils. I first be-

came directly involved with the problems of disaster assistance after the Palm Sunday tornadoes ravaged Indiana and portions of Illinois and Michigan in 1965. As a participant since then in congressional hearings which have examined the need for Federal help, it has seemed obvious to me that the problems involved in providing relief to individuals and communities following a major disaster are much the same no matter where it occurs or what its cause.

During the last 5 years more than 100 major disasters have been declared by the President of the United States. The response by Congress and our people has been very praiseworthy; when fellow citizens, or indeed those in foreign countries, have been stricken by a great catastrophe, the American public has always been compassionate and generous. That does not mean, however, that all needs have been met or that improvements could not be made.

In my opinion the hearings have disclosed certain gaps in legislative authority and some deficiencies in administrative organization and operation which should be rectified. Among the most frequently voiced significant suggestions, complaints, and needs relating to disaster assistance programs which have come to the attention of the Special Subcommittee on Disaster Assistance are the following:

First. Delays and problems encountered in the provision, distribution, and leasing of temporary housing;

Second. The insufficiency of insurance coverage and slowness in settling insurance claims;

Third. The need for establishing immediate, effective communication systems;

Fourth. Inadequate centralized, co-ordinated administration and supervision;

Fifth. Relief for local governments not able to meet bonded indebtedness because of diminished tax base;

Sixth. The advantages to be gained from previously established State disaster plans providing systematic programs for refugee evacuation, emergency food and shelter, and longer range assistance to individuals;

Seventh. Need for trained emergency support teams with capability of immediate deployment in major disaster areas;

Eighth. Requirement for emergency public transportation systems to provide access to such vital places as governmental offices, supply centers, post offices, and major employment facilities;

Ninth. Charges of inequitable and discriminatory treatment, both by public and private agencies;

Tenth. Failure to recognize officially more than one charitable organization for the purpose of distributing goods and commodities provided by the United States;

Eleventh. Lack of adequate dissemination of information and clear explanation about available benefits;

Twelfth. The need for assistance in the preparation of application forms for various programs;

Thirteenth. Authorization for disaster

relief funds to be used to restore facilities on a permanent and improved rather than a temporary or emergency basis; and

Fourteenth. Larger Federal contributions to those whose homes have been destroyed.

Congress cannot foresee nor provide in advance for every contingency or for all of the serious problems which inevitably arise from any major disaster. Nevertheless, it has always seemed logical to me that every effort should be made to establish by law full authority for the President and the various Federal departments and agencies to respond quickly, efficiently and without unnecessary restrictions when confronted by a major disaster. I do not believe it is either expedient or wise for Congress to attempt to enact separate relief bills each time a major disaster occurs. Until 1964, most Federal disaster relief legislation had been given general application, although it authorized assistance primarily for public losses. Since then, however, Congress enacted special bills for aid after the Alaskan earthquake, the Pacific Northwest floods, and Hurricane Betsy. The 1966 and 1969 acts did provide additional aid for the private sector, but as mentioned earlier much of the latter will no longer be in force after this year.

I believe it is time to bring together in one act the various features of disaster legislation which Congress has adopted from time to time and to supplement them with additional assistance and directions which testimony indicated to be essential. Consequently, I am introducing today an Omnibus Disaster Assistance Act which would repeal the basic acts of 1950, 1966, and 1969 and would replace them with a comprehensive measure designed to provide an orderly and continuing means of alleviating suffering and damages incurred in major disasters. Following is a brief summary of the main provisions of this bill.

TITLE I. FINDINGS, DECLARATIONS AND DEFINITIONS

Congress would recognize in title I that the extensive property damage, loss of life and limb, loss of income, and human suffering caused by major disasters generally interrupts the normal functioning of government and adversely affects individuals and families. Accordingly, it would declare its intention to render aid in such cases by revising and broadening existing relief programs, encouraging States to develop disaster plans, and consolidating the administration of Federal disaster assistance.

The definition of a major disaster would be basically the same as that provided in the Public Law 91-79, except for the addition of the descriptive words "high waters, wind-driven waters, tidal waves, and tornado." Perhaps it should be emphasized that the provisions of this bill, similar to previous disaster relief laws, would be limited only to those disasters which the President determined to be of "sufficient severity and magnitude to warrant disaster assistance by the Federal Government to supplement the efforts and available resources of States, local governments, and private relief organizations."

TITLE II. OFFICE OF DISASTER ASSISTANCE

The bill would establish a new agency, the Office of Disaster Assistance within the Executive Office of the President, which would administer Federal disaster relief programs. The Office would be headed by a Director and an Assistant Director, both appointed by and responsible to the President for an unfixed term.

All of the present functions of the Office of Civil Defense, as well as the major disaster relief functions of the Office of Emergency Preparedness, would be transferred to the new Office of Disaster Assistance. The President would also be authorized to transfer during the next 6 months to the Office of Disaster Assistance any functions of any other agency or office which he determined related primarily to the functions of the new office. Likewise transferred would be all personnel, assets, liabilities, contracts, property, and records belonging to such agencies.

The Director of the Office of Disaster Assistance would be granted the standard powers usually vested in heads of agencies, including authority to issue rules and regulations, appoint and fix compensation of subordinate employees, obtain the services of consultants, acquire real or personal property, operate and maintain facilities, enter into contracts, appoint advisory committees, and delegate his functions to other officers. He would be required to submit at the end of each fiscal year a report to the President and Congress on the activities of the Office of Disaster Assistance.

Title II would take effect 90 days after enactment of the bill unless the President should prescribe an earlier date.

TITLE III. THE ADMINISTRATION OF DISASTER ASSISTANCE

Assistance provided under title III would be classified in three groups: First, emergency relief to be made available immediately after a declaration of a major disaster by the President; second, recovery assistance for long-range restoration and rehabilitation of an area; and third, certain general provisions which would be applicable to the administration of all major disaster relief.

The first category would provide for a Federal coordinating officer, emergency support teams, emergency communications systems and the cooperation of other Federal agencies. Congress stipulated in the 1969 Disaster Relief Act that the President should designate a Federal coordinating officer who would be responsible for overseeing all relief activities in a particular disaster area. Testimony presented to the subcommittee in the last few months clearly bears out the need for such unifying authority. Accordingly, section 301 of the bill would not only continue the requirement for such a coordinating officer but would also strengthen and expand his role.

The coordinating officer would be appointed by the Director immediately after a declaration of major disaster. He would be directed to make an appraisal of the types of relief needed to deploy emergency support teams, to establish field offices, to coordinate administration of relief with private organizations, and

to take other actions he deems necessary to provide assistance to a disaster area.

Because of the great confusion and chaos often ensuing after major disasters, an urgent need exists for leadership, skilled help, and workable communications systems. Persons who experienced the utter devastation wrought by Hurricane Camille and other similar catastrophes have described how helpless victims remained many hours without the bare necessities of life—homeless, leaderless, and unable to communicate their plight either to the immediate vicinity or to the outside world.

In order to help cope with these problems, sections 302 and 303 would provide for emergency support teams and emergency communications systems. The Director would be authorized to recruit, train, and develop teams of personnel which could be deployed immediately following a disaster. Furnished with such equipment and supplies as they might need, the support teams would bring immediate, emergency assistance to a major disaster area and, after a preliminary survey, report to the coordinating officer on the kinds of relief most urgently needed. The Director would be authorized to establish in any major disaster area an emergency communications system which could be made available to State and local government officials or to other persons.

Other Federal agencies would be authorized by section 304 to provide, when requested by the Director, additional emergency disaster assistance. Although based largely upon a similar provision in section 3 of Public Law 81-875, the powers conferred would be somewhat clarified and expanded. All agencies would be enabled to extend the use of or lend their facilities supplies, personnel, or other resources, with or without compensation, to States and local governments. They could also distribute food, medicine and other consumables through the American National Red Cross or other private relief organizations. Likewise, surplus equipment and supplies could be donated or loaned, and work essential to preserve life or property could be performed on either public or private lands. This could include the clearance of debris and wreckage, making repairs to or replacing public facilities, providing emergency shelter, and making contributions to States or local governments to perform this work. Reimbursement for such services or supplies would be deposited to the credit of the proper appropriations. A disclaimer clause would exonerate the U.S. Government for any claim based upon the exercise, performance, or failure to perform any discretionary act in carrying out such emergency assistance.

With respect to longer-range recovery assistance in contrast to purely temporary emergency relief, title III of the bill would renew and strengthen several programs enacted in previous disaster laws and would provide a number of new kinds of aid. Present authorization for debris removal from private property, temporary housing, subsidized loans to homeowners, food coupons, unemployment compensation, restoration of Fed-

eral, State, and local facilities, highway repair and reconstruction, loan adjustments, timber sale contracts and public land entry, several of which will expire at the end of this year, would be extended indefinitely although in some cases in modified form. In response to extensive and convincing evidence of need for other types of assistance, the bill would authorize entirely new programs for temporary public transportation, a community disaster loan fund, special aid to enterprises constituting major sources of employment, the waiver of conditions for Federal grants-in-aid, preference to local firms and businesses in recovery work, and priority for public facility and public housing assistance applications.

Grants could be made by the Director under section 305 to any State or local government to remove debris from privately-owned lands or waters deposited as a result of a major disaster. The State or local governments would in turn be authorized to reimburse any person for actual debris removal costs, less any salvage value of the debris. This provision is almost identical with section 14 of Public Law 91-79, now scheduled to terminate on December 31, 1970.

In order to provide dwelling accommodations for individuals and families whose homes have been made uninhabitable by a major disaster, section 306 would authorize the Director for this purpose to use any unoccupied housing owned by the United States, to arrange with a local public housing agency for any unoccupied housing units, or to acquire, either by purchase or lease, already existing dwellings, mobile homes, or other readily fabricated dwellings. Mobile or specially fabricated dwellings would be installed on sites furnished without charge by a State, local government, or a displaced owner-occupant. Rentals collected for occupancy of these temporary dwelling accommodations could be adjusted or completely waived according to the financial ability of the tenants for as long as 1 year, but in no case would disaster victims be required to pay more than 25 percent of the family monthly income for housing expenses, including the amortization of debt on a destroyed or damaged house.

The only significant difference between section 306 of the bill and section 10 of Public Law 91-79 is that the authority conferred on the Director to acquire housing would include the right to purchase as well as to lease dwellings or mobile homes. The three previous disaster relief bills which I introduced—S. 1861, S. 438, and S. 1685—would have authorized the purchase of housing for this purpose, and each of the two bills which passed the Senate in 1965 and 1969 included such a provision. Because the cost to the Government of leasing mobile homes from manufacturers or distributors for a year is very high, it might be less expensive under certain circumstances to purchase them outright. They could be either stockpiled or sold later, either to the disaster victim occupant or on the open market. The fact that mobile homes have recently become eligible for Government-insured loans might facil-

tate their disposal, perhaps in some cases to the disaster victim himself.

More important, however, is the time which might be gained in some disasters by immediate purchase of temporary dwellings. Several weeks elapsed before mobile homes in any quantity were brought into the gulf coast areas most damaged by Camille, and there were many reports of other delays in installing and connecting them up promptly with public services. Some of this can be attributed to poor road conditions and destroyed facilities, but considerable time was lost through advertisement for bids, negotiating and letting contracts, and manufacturing and shipping units from factories hundreds of miles away. At the same time it has been estimated that within a hundred miles or so of the disaster area there were local dealers who had hundreds of mobile homes which could have been purchased and moved into place quickly if the agency had been authorized to do so. It seems to me that the Director at least should be empowered to purchase such temporary dwellings; he would use that power only if in his opinion it were more expeditious and economical to do so.

Emergency public transportation service in a major disaster area could be provided by the Director under section 307. The purpose would be to enable local residents who have lost all means of transportation to make necessary trips to distant governmental offices, supply centers, employment centers, post offices, stores, and other similar places of business. The emergency service could be provided only until regular public transportation was restored, or for a maximum period of 1 year after the disaster.

Although the number of major disasters in which there would be need for such a temporary transportation system is few indeed, the subcommittee was impressed with the plight of many residents of the Mississippi gulf coast who found it very difficult to transact business, make applications for assistance, pick up food and clothing, or talk with officials. When neighborhood shopping centers and stores have been destroyed, private automobiles have been damaged beyond repair, and public buses are no longer running, those living in isolated and removed sections of large communities have great difficulty in carrying on normal life activities. In such limited cases I believe the Director should be authorized to provide temporary transportation until regular service can be restored. The type, frequency, routes and fares charged, if any, for such service would be left to the discretion of the Director.

Several important changes would be made by sections 308 and 313 of the bill in the disaster loan programs of the Small Business Administration, the Farmers Home Administration, the Veterans' Administration, and other agencies.

First, the interest rate on any loan made under the authority of a disaster loan program would be changed from the current 3 percent—in most cases—to a rate not less than the average annual interest rate on all interest-bearing obligations of the United States with maturities of 20 years or more.

Second, offsetting the proposed higher interest rate would be an increase in the amount of forgiveness in SBA, FHA, and other disaster relief loans. At present on loans in excess of \$500, a maximum of \$1,800 will be canceled. The new formula would provide cancellation up to 50 percent of the uninsured loss to a maximum amount of \$5,000.

Third, all disaster loans could be made without regard to whether financial assistance might have been available from private sources.

Fourth, the age of any adult applicant could not be a factor in determining whether a disaster loan should be made or what the amount of the loan should be.

Fifth, any home built with the aid of a major disaster loan would have to be constructed according to minimum standards of safety, decency, and sanitation prescribed by the Secretary of Housing and Urban Development and in conformity with applicable building codes and zoning regulations.

Despite the higher interest rate which would be charged for disaster loans, substantial benefits would accrue under the new formula for many of those seeking assistance. Any homeowner whose loss exceeded \$10,500 would be eligible for a forgiveness of the maximum amount, or \$5,000. His total encumbrance on \$10,500 would be only \$5,500. One who suffered a loss of \$8,000 would be eligible for a cancellation of \$3,750, leaving a balance of \$4,250 due. A \$6,000 loss would be credited with \$2,750, reducing the obligation to \$3,250. On the other hand a \$4,000 loss would be entitled only to a \$2,000 cancellation, which would be only \$200 more than that available under the 1969 disaster act.

It is believed that the maximum of \$5,000 cancellation in disaster loans up to \$10,500 would bring substantial relief to the low- and middle-income groups whose homes might not be protected by insurance. The \$5,000 credit would apply to loans on more expensive houses damaged in disasters as well, but the higher interest rates paid over a number of years would tend to counterbalance this cancellation.

Congress first provided for the \$1,800 cancellation feature in disaster loans after Hurricane Betsy in 1965; a similar provision was included in the 1969 disaster assistance law. Because of the great increase in building construction costs in the last 5 years and the likelihood that such costs may continue to rise, a sizable increment in this amount would not appear to be unreasonable. When a major disaster seriously damages or destroys a dwelling, one which more often than not already may be encumbered by a sizable mortgage, the hard-pressed homeowner in this day of high prices may be skeptical of the value of an \$1,800 subsidy. Disaster victims have raised the question of what \$1,800 would mean to an owner sustaining a \$15,000 loss on a home which might be burdened with an already existing \$10,000 mortgage. Cancelling \$5,000 of a loan made in such a case would cut the total obligation to \$20,000 rather than \$23,200 under the 1969 act.

Even though the interest rate through the years would be higher, the reduction in principal to most homeowners would be a welcome, encouraging ray of hope. Especially for older borrowers a lower principal ought to be more attractive than a reduced interest over a longer period of time. Eliminating the differential between the present 3-percent disaster loan rate and the average cost of borrowing by the U.S. Government would, of course, mean a higher immediate Federal expenditure, but in the long run the actual cost would tend to balance out.

It is important to note that, if the national disaster insurance program proposed in title IV of the bill is established, no homeowner would be eligible for disaster assistance under title III for loss of or damage to real property unless he had acquired major disaster insurance within 1 year after it should become available. I fully agree with those who insist that to the extent possible the homeowner should contribute to his protection against disaster losses through payment of regular insurance premiums. However, until such time as a workable disaster insurance system can be made applicable to the Nation as a whole, it would be entirely proper to continue the partially subsidized loan program.

The bill would also prohibit the denying of a disaster loan to any adult solely on the grounds of age. Testimony has been received indicating some reluctance to grant disaster home loans to individuals whose life expectancy might not be equal to the usual length of most mortgages. Older people displaced by a disaster ordinarily are as much or more in need of adequate dwelling space as are younger families. In any case, since the equity in the home would remain no matter what happened to the mortgagee, persons in need after a major disaster should not be in a disadvantageous position because of their age.

Minimum standards of safety, decency, and sanitation as well as applicable building codes would have to be adhered to in the construction of any residence financed with the aid of a disaster loan. The purpose of this provision is to assure that no home damaged or destroyed in a major disaster would be rebuilt with Federal assistance in a shoddy, unsafe, or unsanitary condition. The Secretary of Housing and Urban Development would be authorized, after consultation, to promulgate regulations designed to guarantee that such construction would conform to these minimum standards as well as local building codes and other requirements.

Loans or grants could be made under section 314 by the Director to any industrial, commercial, agricultural, or other enterprises which have been major sources of employment in major disaster areas but which are unable because of the disaster to operate. In view of the widespread unemployment which frequently accompanies major disasters, it is crucial to restore local industries and other enterprises to a functional condition as soon as possible so that local residents can become self-sustaining. This is especially important in those communi-

ties or areas which are heavily dependent on only one or two major types of enterprise for the bulk of their employment. For example, a small village or town which depends almost entirely for its livelihood on a fishing fleet, a cannery factory, or a papermill destroyed in a major disaster would be practically destitute until that business could resume normal activities. Similar to other disaster loans, the interest for loans made by the Director under this section would be a rate equal to the average annual interest rate on all interest-bearing obligations of the United States having maturities of 20 years or more. However, the Director would be empowered to defer payments of principal and interest for a period not to exceed 3 years.

As mentioned previously, several provisions of the 1969 Disaster Act would be made permanent legislation by this bill. Prominent among them is the special unemployment compensation program proposed by section 316 for persons losing jobs because of a major disaster but who are not eligible for such compensation under laws of their States. Although the first payments under the program were not made until late in December, a large number of jobless individuals have already received substantial financial help. More than 22,500 in Mississippi and 2,000 in Virginia had filed claims with the Department of Labor by February 21, 1970; of that number nearly 19,000 in the first State and over 1,300 in the second have received one or more payments ranging between \$30 and \$48 per week. Total Federal expenditures for this purpose until February 21 were nearly \$3.2 million, most of which had been allocated to Mississippi. Because of the proven success of this program I am proposing that it be continued indefinitely.

Worthy of reenactment also are sections 315, 318, 325, and 326 authorizing the free distribution of food coupons and surplus commodities, contributions of up to 50 percent for the repair of highways not on the Federal-aid system, the repair of timber roads, the salvage, cleanup and sale of damaged timber, and extended time for entry on public lands. The food coupon program has not yet been put into operation, although the President on November 18 by Executive order delegated authority to implement it to the Secretary of Agriculture. It is my understanding that guidelines are in the process of preparation. Assistance in the salvage and cleanup of timber damaged by disasters is essential to reduce or prevent additional losses because of insects, fire, disease, or other causes. Grants could be used only for expenses incurred in actual removal of damaged timber, offset by any value gained from salvage. The public land entry section would merely authorize the Secretary of the Interior to extend the time for entry on public lands in any State affected by a major disaster if he determined that the entryman could not comply with existing requirements because of a major disaster. Finally, although no funds have yet been expended under the non-Federal aid highway disaster program, several project application are being processed and will no doubt be approved.

Section 317 of the bill, which would authorize the restoration of Federal facilities damaged in a major disaster, restates in somewhat simpler language the provisions of section 6 of Public Law 81-875, the Disaster Relief Act of 1950. If the President determined such action to be so urgent that it could not be deferred, he would be authorized to allow any agency to repair, reconstruct or restore facilities owned by the United States which were damaged or destroyed in a major disaster. Work on the project could begin, even if sufficient funds had not been appropriated, if other funds could be transferred from different appropriations.

Three other sections of the bill—sections 319, 323, and 324—are based upon similar provisions of the 1966 Disaster Assistance Act. In those cases where State or local government public works projects, such as flood control, navigation, reclamation, electric power, water and sewage treatment, or airport installations, were damaged or destroyed in a major disaster while they were in the process of construction, reimbursement would be authorized for not more than 50 percent of the eligible costs incurred to repair, restore, or reconstruct such projects. Priority and immediate consideration would be given in the processing of applications for assistance under various housing acts received from governmental agencies located in major disaster areas. Also, under the loan adjustment program, the authority of the Rural Electrification Administration to adjust the schedules of payment for interest and principal on loans and to extend the maturity date to 40 years in case of loss caused by a major disaster, would be continued. The Secretary of Housing and Urban Development would be authorized to refinance loans where it might be made necessary by loss or damage caused by a major disaster, but the interest rate to be charged on refinancing such obligations would be fixed at the average annual rate on all interest-bearing obligations of the United States. In line with other sections of the bill the Secretary's authority to reduce that rate by as much as 2 percent would not be continued.

A new community disaster loan fund would be established in the Treasury by section 320; local governments which have suffered a loss of more than 25 percent of their tax base because of a major disaster would be able to borrow from this fund in order to make payments of interest and principal due on outstanding bonded indebtedness which they could not otherwise do. Loans for this purpose would be for a maximum period of 20 years and would carry an interest rate similar to that for other programs, equivalent to the average annual rate on all outstanding interest-bearing obligations of the United States having a maturity of 20 years or more. However, the Director would be authorized to waive payment of interest and principal on community disaster loans for a period not to exceed 5 years. As much as \$100 million would be authorized to be appropriated for the purposes of the community disaster loan fund.

If a sizable proportion of the property in a community should be severely damaged or destroyed by a major disaster, its revenue sources almost inevitably would be drastically curtailed. Most local governments depend very heavily on the property tax for much of their income; in situations where one-third, one-half, or more of the assessed property valuation might be wiped out in a few hours, those governments would not be able to avoid comparable losses in taxable revenues. As a consequence they would face a financial crisis if they could not meet unavoidable fixed obligations, especially payments on the interest and principal of outstanding bonds previously issued for governmental purposes.

Testimony was presented to the subcommittee indicating that within a few months several of the gulf coast cities in Mississippi, which have lost upward of 40 to 50 percent of their tax base, will not be able to collect sufficient property taxes to remain solvent. Under these circumstances I firmly believe that the type of community disaster loan fund which is proposed in this bill would be of real assistance and should be established as soon as possible. Loans under this program could also be used to help provide the local share on any Federal grant-in-aid program available for restoration of the major disaster area.

Two other new provisions would facilitate economic recovery in a major disaster area. Section 321 would stipulate that organizations, firms, and individuals residing in or who do business in the area should be given preference in the expenditure of Federal funds for debris clearance, distribution of supplies, reconstruction, and other disaster assistance activities. Section 322 would authorize any agency administering Federal grant-in-aid programs to modify or waive temporarily various conditions, including the matching of funds, if a major disaster would prevent the meeting of those conditions in order to receive assistance.

Several provisions of general application would be enacted by part C. of title III. Foremost among these is the section which would clarify the scope of and extend for 1 year the period in which States receiving grants for the preparation of comprehensive disaster relief plans would have in which to submit their completed plans. The 1969 Disaster Relief Act authorized the President to make grants up to \$250,000 to any State for not more than 50 percent of the cost of developing "comprehensive plans and practicable programs for assisting individuals suffering losses as the result of a major disaster." The original intent of this section, dating back to S. 1861 which I introduced in 1965, was without question to assist States in developing a complete and thorough blueprint outlining in detail the necessary preparation, organization, procedures, supplies, equipment, and other requirements which would enable them to do everything possible to minimize the terrible effects of a major disaster and to begin restoration of the normal life and activities in any disaster area. How-

ever, in the formulation of the final language of section 8 of Public Law 91-79, somehow the wording seems to limit its scope to plans and programs which would assist only "individuals" suffering losses. This has been narrowly interpreted by some to mean that State plans developed under this section could not apply to assistance for local governments, public agencies, or business enterprises. In order to resolve any doubts about this matter, section 327 would authorize the Director to make grants to States to develop "comprehensive plans and practicable programs for preparation against major disasters, and for relief and assistance for individuals, businesses, and local governments." In order to give States more time to apply for and prepare such plans, the date before which they would have to be submitted to the Director would be advanced from December 30, 1970, to December 31, 1971.

Although it is not possible to predict when or where catastrophes might occur, it seems to me only good sense for governments to do as much advance planning and to prepare themselves as much as possible in order to cope with the eventuality that their areas might be subjected to a major disaster. Recently I wrote to the Governor of each State, calling to his attention the availability of Federal funds for planning assistance. While many have not yet had the opportunity to respond, I was pleased to note how widespread is the realization of the importance for States to develop disaster relief plans. A number of States have already pioneered in this field, formulating at least a preliminary program, and several others have indicated intention to proceed with application for assistance. Others pointed out the difficulties they would encounter in trying to appropriate matching funds in time to contract for and complete a comprehensive plan by the end of this calendar year. Therefore, I am suggesting that the date should be extended another 12 months.

Allegations have been made that there were some instances of inequitable and discriminatory treatment, especially after the first emergency period, in providing aid following Hurricane Camille. Such charges have been levied against both public and private agencies, and those most concerned have been investigating the facts and will no doubt report on their findings. Certainly differential treatment in the handling of disaster assistance should not be tolerated.

In order to assure that aid would be provided to all irrespective of their personal background or status, section 330 of the bill would authorize the Director to establish regulations which would be applicable to the personnel and procedures of both public and private agencies involved in handling Federal disaster assistance programs. These guidelines would stipulate that there should be no discrimination on the grounds of race, color, religion, nationality, sex, age, or economic status in distributing supplies, processing applications or managing other relief activities.

Section 328 would authorize the Director to arrange with the American National Red Cross, the Salvation Army, the Mennonite Board of Missions and Charities, and other private relief organizations for the use of their personnel and facilities in the distribution of medicine, food, supplies, or other material if he found that this would be necessary. This would resolve certain questions brought to the attention of the subcommittee about the power of the National Government to utilize officially the manpower, supplies, and skills which private organizations other than the Red Cross might be willing to provide. Considerable testimony has been presented illustrating the tremendously helpful assistance which the Salvation Army, the Mennonite Board, and others have rendered following disasters. There is no reason why the Director should lack authority to recognize them officially and call upon their services for disaster assistance. Any private relief organization entering into an agreement with the Director for this purpose would have to comply with regulations issued under section 330 discussed above pertaining to impartial and nondiscriminatory administration.

The Director also would be authorized—under sections 331 and 332—to establish emergency supply depots and to assign advisory personnel he deemed to be necessary. While some civil defense and military supply depots do exist which have been helpful in disasters, the Director should be empowered to locate and set up those which in his judgment would be essential for the accumulation of disaster assistance equipment and supplies. To meet a need often expressed to the subcommittee, upon request he also could send trained and experienced representatives to advise State or local government officers about various kinds of Federal programs and procedures. The subcommittee has been informed that in the smaller communities especially, where the chief executives often are part-time officers with little experience in or knowledge about national programs, it would be extremely helpful if well-informed consultants could be provided who would work closely with local governments when a major disaster overtakes them. These representatives, of course, would be strictly advisory and would be assigned only if the Director believed they would help enable communities to apply for and utilize fully various assistance programs.

The 1969 Disaster Relief Act—section 13—authorized grants and loans to States and local governments to assist in suppressing any fire on publicly or privately owned forest or grasslands which might threaten to become a major disaster. Congress took this action after it had been pointed out that a small conflagration, beginning either on public or private property, could become a major fire threatening large areas if there were not sufficient manpower and equipment to quell it at the start. Such a holocaust would pay no attention to jurisdictional ownership boundary lines and could in a short time devour huge quantities of timber and grassland. Although the U.S.

Forest Service has a number of well-trained, able firefighters and extensive equipment, this is often not true in privately owned tracts and sometimes is lacking in State and local lands as well. To help reduce great losses from fires of the type which desolated thousands of acres of timber in the Northwest during 1967, section 333 of the bill would re-enact the grant and loan provision of the 1969 act which is scheduled to expire at the end of this year.

Finally, section 329 would be designed to prevent any person, business concern, or other entity from receiving duplicate disaster relief benefits. It would be the duty of the Director to be sure that financial assistance would not be given for any major disaster loss for which compensation had been received from any other Federal program, insurance policy, or other source. This, however, would not preclude Federal assistance for any part of a loss which had not been compensated otherwise. The Treasury would have to be reimbursed for any amount of assistance paid to a person, business concern, or other entity for disaster relief in excess of that to which the recipient was legally entitled.

TITLE IV. NATIONAL MAJOR DISASTER INSURANCE

No issue was accorded more unanimity of opinion by the witnesses who appeared before the Special Subcommittee on Disaster Relief than the urgent need for adequate insurance protection against major disaster losses. Nearly all State and local officials, private group representatives, industry spokesmen and individual property owners who testified seemed to agree that some kind of comprehensive policy covering catastrophic damages would be one of the most useful and desirable ways of providing assistance. My experience leads me to believe that most citizens would prefer investing an annual premium in advance to purchase protection against major disaster losses than they would seeking private relief, personal loans, or governmental subsidies after a tragedy has occurred.

For many years comprehensive casualty insurance covering a wide variety of damages resulting from fire, wind-storm, hail, and other causes has been available, but this has not been true for floods, mud slides, wind-driven waters, high waves, and earthquakes. With the exception of the new program authorized by the National Flood Insurance Act of 1968, almost no insurance protection for damage caused solely by water has been obtainable. The difficulty of determining in the area afflicted by a hurricane the proper percentage of loss caused by wind versus water has in particular given rise to many controversies. Policyholders in the gulf coast area following Hurricane Camille have in many cases been frustrated and disappointed in pressing their claims for losses because of this almost insoluble factor.

For various reasons Federal flood insurance has not yet been made available on a widespread basis. Until recently the program has been limited to a few communities. An amendment to the 1969 Housing and Urban Development Act, however, permitted the Federal Insur-

ance Administration to institute emergency programs which could be converted later to permanent status after the necessary studies have been completed. This enabled the Administration to provide flood insurance coverage in a total of eight places by early March, while another seven have been definitely scheduled for inclusion this month. It is expected that a number of other communities will qualify for the emergency flood insurance program during the next few months, although the law currently requires that they be converted by December 31, 1971.

Nevertheless, I believe there is ample reason for Congress to reexamine the whole matter of disaster insurance. Hearings held by the subcommittee in Mississippi and Virginia clearly demonstrated the need for more inclusive and extensive insurance protection for major disasters. Despite its recent gains the Federal flood insurance program, structured as it is on a community by community approach, likely will not gain nationwide application for many years. What is needed, it seems to me, is a comprehensive all-disaster risk-type insurance which could be made available in a comparatively short time to property owners in all parts of the country.

To be effective, actuarially sound, and purchaseable at rates which the ordinary householder could afford, any major disaster insurance program must have a broad base of policyholders; losses from disasters are such that the burden of funding relief costs should be shared throughout the Nation. This, of course, can be done, as it has many times in the past, through public revenues raised by taxation. Using public funds to assist those who have incurred sizable losses in major disasters may in one sense resemble a system of enforced public insurance. Probably there always will be many major disaster costs which all members of society will be called upon to absorb through small contributions in the form of national taxes. With respect to private property damages, however, there is no reason why owners should not be required to subscribe through advance payments to a system which would provide them at least minimum protection against possible future major disaster losses.

It would be preferable, of course, if satisfactory, sensibly priced insurance coverage against damages to private property caused by major disasters could be established by the insurance industry. In view of the nature and size of the risk involved, some kind of national reinsurance or subsidy might be necessary to induce private insurance companies to embark on such a venture. I would welcome any reasonable proposal which insurance representatives might make suggesting a joint approach involving Government participation in an industry managed disaster insurance system, and I believe that Congress would give serious attention to such a plan.

Consequently, the bill—section 413—would provide a period of more than a year in which the insurance industry could develop an acceptable program. However, unless the Secretary of Housing and Urban Development should deter-

mine and certify to the President and Congress not later than June 30, 1971, that private insurance companies have made available on reasonable terms major disaster insurance with coverage equal to or more extensive than that proposed by title IV, the Secretary would be directed to establish a national major disaster insurance program. Although delays in the legislative process might make the above date unrealistic, it could be extended easily if chances appeared to be good that such a program would indeed become a reality. Without such a deadline, however, I fear that little progress could be made, and in any event it may well be necessary to institute an all-Federal program.

To be successful, major disaster insurance must have widespread application and must be offered at premium rates which are not inordinately expensive. With these premises in mind, the bill—section 412(b)—would blanket in to the proposed new national major disaster insurance system all residential or other structures encumbered by loans or mortgages which have been guaranteed or insured by the Federal Housing Administration, the Veterans' Administration, or any other Federal agency. This would provide a sizable base upon which the program could be founded from the beginning. Second, as will be explained, the rate structure would be devised so as to attract into the system homeowners who would not be included automatically under the above provision. Third, further additional impetus to join would be provided by the outright denial—section 510—of any other Federal financial assistance to any owner of real property for damage to his property in a major disaster to the extent the loss could have been covered by a valid claim under major disaster insurance made available at least 1 year prior to the disaster. It is believed that these three factors—mandatory inclusion of federally insured mortgagors, minimal rates, and advance warning to nonparticipants of ineligibility for other Federal aid—would be sufficient to assure that within a reasonable period of time most homeowners throughout the Nation would be encompassed by the program.

To explain the specific features in more detail, the Secretary of Housing and Urban Development would be authorized—section 401—to establish and carry out the national disaster insurance system. He would be directed, to the maximum extent possible, to encourage and arrange for the financial participation and risk sharing in the program by private insurance companies or other insurers.

Priority would have to be given—section 402—to the coverage of residential properties housing from one to four families, but, if appropriate studies and investigations demonstrated that it would be feasible, the Secretary could extend major disaster insurance to other residential, business, agricultural, non-profit, or public properties.

The Secretary would provide by regulation for the general terms and conditions of insurability which would apply to major disaster insurance. These would

include such matters as the types, classes, and locations of properties, the nature of and limits of loss to be covered, the classification, limitation and rejection of risks, minimum premiums, loss-deductibles and any other necessary terms or conditions.

Coverage provided by the bill would be divided into two categories: First, a basic minimum amount, the premiums for which could be fixed by the Secretary at a rate below established costs; second, amounts above the basic minimum, which would be charged at rates not less than those estimated to be needed for all costs of providing that protection.

The basic coverage for residential properties housing up to four families would be \$15,000 aggregate liability for any single dwelling unit, \$30,000 for any structure containing more than one dwelling, and \$5,000 aggregate liability for the contents of any dwelling unit. If the Secretary should declare other types of property to be eligible for major disaster insurance, any single structure in those specified categories would have an aggregate liability of \$30,000.

The Secretary would be authorized—section 404—to make studies and investigations which would enable him to estimate what the risk premium rates would be for various areas based on actuarial principles, operating costs, and administrative expenses. He would also be directed to estimate what level of rates would be reasonable, would encourage prospective insurers to purchase disaster insurance, and would be consistent with the purposes of the act.

Based on the above information, and after consultation with the Director, the Secretary would—section 405—from time to time prescribe by regulation the chargeable premium rates for all types and classes of property for which disaster insurance is made available. He could if necessary fix the premium rates for the basic property values covered—noted above—at less than the estimated risk premium rates. Otherwise, the rates would have to be based, insofar as practicable, on the respective risks involved and would have to be adequate to provide reserves for anticipated losses. If the rates were fixed at a lower amount, they would have to be consistent with the objective of making major disaster insurance available at reasonable rates in order to encourage its purchase by homeowners and others.

To provide working capital for the national major disaster insurance program, the Secretary would be authorized—section 406—with the approval of the Secretary of the Treasury, to issue notes or other obligations in an amount not exceeding \$500 million. The Secretary of the Treasury would determine the rate of interest for these notes or obligations, and would be authorized to purchase or sell them as public debt transactions.

The Secretary would also be authorized—section 407—to establish in the Treasury of the United States the national major disaster insurance fund from which would be paid all claims, expenses, administrative costs, and debt redemption of the major disaster insur-

ance programs. The fund would be the repository for all funds which might be borrowed, appropriated by Congress, earned as interest on investments, derived from premiums, or received from other operations. If the Secretary should determine that the fund total would be in excess of current needs, he could request the Secretary of the Treasury to invest the amounts which the latter deemed advisable in obligations issued or guaranteed by the United States.

Claims for losses would be adjusted and paid for according to rules which the Secretary would be authorized—section 408—to prescribe. It would also be his duty—section 409—to inform the general public and any State or local official about the extent, objectives, and premium rates of the national major disaster insurance system, including the basis for and the differences between the rates for the two categories of coverage.

As pointed out previously, the bill would prohibit—section 410—Federal disaster assistance to any eligible property owner for a real property loss to the extent that such loss would be either covered by a valid claim or could have been covered by a valid claim under major disaster insurance which had been made available in his area at least 1 year prior to the occurrence of the damage. On the surface this may appear to be a harsh provision, but it seems to me that it is essential if the program is to be made workable on a national basis without exorbitant rates for participants. If major disaster insurance is provided for any area, an eligible property owner would have a grace period of 1 full year in which to secure protection; subsequently, he would have to absorb any loss caused by a disaster unless he had taken advantage of the insurance opportunity provided him. It should be noted that this caveat applies only to the owners of real property, and does not exclude other types of Federal assistance such as loans for any amount of loss not recovered by major disaster insurance or for the loss of personal property.

To prevent structures being rebuilt in areas which have proven to be disaster prone, the bill would prohibit—section 411—issuing new major disaster insurance coverage for any property which the Secretary finds has been declared by a State or local government to be in violation of State or local laws, regulations, and ordinances intended to prevent land development or occupancy in those areas. In order that the major disaster insurance system would be coordinated with other programs, the Secretary and the Director would be instructed—section 412(a)—to consult with other Federal, State, and local government departments and agencies having responsibility for disaster assistance.

TITLE V. MISCELLANEOUS

Section 501 would make a number of technical amendments in existing laws to bring them into conformity with the new proposed Omnibus Disaster Assistance Act. The three extant basic disaster relief laws of 1950, 1966, and 1969 would be repealed by section 502. Such sums as would be necessary to carry out the new

act would be authorized—section 503—to be appropriated.

In general, the national major disaster insurance system would be designed to provide basic, minimum protection against disaster losses to most homeowners and possibly to other property holders as well. It would enable them to contract in advance at reasonable cost for coverage not now widely available which would assure at least partial compensation for dwellings, other structures, and personal property damaged or destroyed by major disasters. I believe that the American people on the whole would support a program whereby they could through a contributory system help share in the heavy burden which inevitably will fall on those unfortunate enough to be caught in the maelstrom of a natural catastrophe. Although the insurance plan outlined in title V may have certain unknown defects or omissions which will have to be corrected, it should provide a pattern for further discussion and the basis for a perfected program.

In conclusion, Mr. President, I believe that the Omnibus Disaster Assistance Act which I am introducing today would provide meaningful assistance to major disaster victims in several ways:

First, with the exception of aid to schools and institutions of higher education—see 20 U.S.C. 646, 758—and special limited disaster programs administered by various agencies and departments, it would consolidate into one act all of the extant major disaster laws;

Second, it would sharpen and strengthen present powers and duties relating to the providing of emergency aid to people and areas subjected to a major disaster;

Third, it would amplify and supplement present programs and authorize new ones designed to help individuals, organizations, and communities to recover from the awful consequences inflicted by a major disaster; and

Finally, it would authorize comprehensive, all-disaster risk insurance which would permit property owners to obtain protection at reasonable expense against a sizable proportion of their losses from major disasters.

Enactment of this measure would do much to insure that the Federal Government would be authorized to extend significant aid of all types to individuals and communities immediately after a Presidential declaration of a major disaster without having to wait several months for possible specific congressional action. I hope that the bill will receive prompt and favorable consideration.

Mr. President, I ask unanimous consent that the full text of the bill and a section-by-section synopsis be printed in the RECORD at the conclusion of my remarks, and that the bill be referred to the Committee on Public Works.

The PRESIDING OFFICER (Mr. GURNEY). The bill will be received and referred to the Committee on Public Works; and, without objection, the bill and synopsis will be printed in the RECORD.

The bill (S. 3619) to create, within the Office of the President, an Office of Disaster Assistance, to revise and expand

Federal programs for relief from the effects of major disasters, and for other purposes, introduced by Mr. BAYH (for himself and other Senators), was received, read twice by its title, referred to the Committee on Public Works, and ordered to be printed in the RECORD, as follows:

S. 3619

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Omnibus Disaster Assistance Act".

TITLE I—FINDINGS AND DECLARATIONS DEFINITIONS

FINDINGS AND DECLARATIONS

SEC. 101. (a) The Congress hereby finds and declares that—

(1) because extensive property damage and loss, loss of life, loss of income, and human suffering result from major disasters such as hurricanes, tornadoes, storms, floods, high waters, wind-driven waters, tidal waves, earthquakes, droughts, fires, and other catastrophes; and

(2) because such disasters disrupt the normal functioning of government and the community, and adversely affect individual persons and families with great severity, special measures, designed to expedite the rendering of aid and assistance and the reconstruction and rehabilitation of devastated areas, are necessary.

(b) It is the intent of the Congress, by this Act, to provide an orderly and continuing means of alleviating the suffering and damage which result from such disasters by—

(1) revising and broadening the scope of existing major disaster relief programs;

(2) encouraging the development of comprehensive disaster relief programs by the States; and

(3) achieving greater coordination and responsiveness of Federal major disaster relief programs by consolidating their administration.

DEFINITIONS

SEC. 102. As used in this Act—

(1) "major disaster" means any flood, high waters, wind-driven waters, tidal wave, drought, fire, hurricane, tornado, earthquake, storm, or other catastrophe in any part of the United States which in the determination of the President, is or threatens to be of sufficient severity and magnitude to warrant disaster assistance by the Federal Government to supplement the efforts and available resources of States, local governments, and private relief organizations in alleviating the damage, loss, hardship, or suffering caused thereby, and respecting which the Governor of any State in which such catastrophe occurs or threatens to occur certifies the need for disaster assistance under this Act, and shall give assurance of expenditure of a reasonable amount of the funds of such State, its local governments, or other agencies for the same or similar purposes with respect to such catastrophe;

(2) "United States" means the fifty States, the District of Columbia, Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Trust Territory of the Pacific Islands;

(3) "State" means any State in the United States, the District of Columbia, Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Trust Territory of the Pacific Islands;

(4) "Governor" means the chief executive of any State;

(5) "local government" means any county, city, village, town, district, or other political subdivision of any State, and includes any rural community or unincorporated town or village for which an application for assistance is made by a State or political subdivision thereof;

(6) "Federal agency" means any department, independent establishment, Federal corporation, or other agency of the executive branch of the Federal Government, excepting the American National Red Cross;

(7) "Director" means the Director of the Office of Disaster Assistance except where a different meaning is indicated by the context within which it is used; and

(8) "Office" means the Office of Disaster Assistance.

TITLE II—OFFICE OF DISASTER ASSISTANCE ESTABLISHMENT

SEC. 201. (a) There is hereby established, within the Office of the President, an Office of Disaster Assistance, for the purpose of administering Federal disaster relief programs, coordinating relief activities of private relief organizations in major disasters, and for other purposes.

(b) There shall be in the Office a Director of Disaster Assistance and an Assistant Director of Disaster Assistance (hereafter referred to as the "Assistant Director"), each of whom shall be appointed by the President, and shall serve at his pleasure. The Office shall be under the control and supervision of the Director. The Assistant Director shall perform such duties as may be assigned to him by the Director, and, during the absence or incapacity of the Director, or during a vacancy in that office, shall act as the Director. The Director shall designate an employee of the Office to act as Director during the absence or incapacity of both the Director and the Assistant Director, or during a vacancy in both of such offices.

(c) Subchapter II of chapter 53 of title 5, United States Code (relating to Executive Schedule pay rates), is amended as follows:

(1) Section 5313 is amended by adding at the end thereof the following:

"(20) Director, Office of Disaster Assistance."

(2) Section 5314 is amended by adding at the end thereof the following:

"(54) Assistant Director, Office of Disaster Assistance."

(d) There are hereby transferred to the Director all the functions of the Secretary of Defense carried out through the Office of Civil Defense, and the functions, insofar as such functions relate to major disaster relief, of the Director of the Office of Emergency Preparedness.

(e) Within one hundred and eighty days after the effective date of this Act, the President may transfer to the Director any function of any other agency or office, or part of any agency or office, in the executive branch of the United States Government if the President determines that such function relates primarily to functions transferred to the Director by the preceding subsection of this section.

TRANSFER OF PERSONNEL

SEC. 202 (a) All personnel, assets, liabilities, contracts, property, and records as are determined by the Director of the Bureau of the Budget to be employed, held, or used primarily in connection with any function transferred under the provisions of section 201(d), are transferred to the Director. Except as provided in subsection (b), personnel engaged in functions transferred under this title shall be transferred in accordance with applicable laws and regulations relating to transfer of functions.

(b) Personnel not under section 5337 of title 5, United States Code, shall be transferred without reduction in classification or compensation for one year after such transfer.

(c) In any case where all of the functions carried out through any agency or office are transferred pursuant to this Act, such agency or office shall lapse.

AUTHORITY OF THE DIRECTOR

SEC. 203. (a) The Director of the Office of Disaster Assistance may, in addition to the authority to delegate and redelegate contained in any other Act in the exercise of the functions transferred to him by this Act, delegate any of his functions to such officers and employees of the Office as he may designate, may authorize such successive delegations of such functions as he may deem desirable, and may make such rules and regulations as may be necessary to carry out his functions.

(b) The Director is authorized to appoint, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, such advisory committees as may be appropriate for the purpose of consultation with and advice to the Office in the performance of its functions. Members of such committees, other than those regularly employed by the United States Government, while attending meetings of such committees or otherwise serving at the request of the Director, may be paid compensation at rates not exceeding those authorized to be paid experts and consultants under section 3109 of such title, and while so serving away from their homes or regular places of business, may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of such title, for persons in the Government service employed intermittently.

(c) In order to carry out the provisions of this Act, the Director is authorized—

(1) to adopt, amend, and repeal rules and regulations governing the manner of operations, organization, and personnel of the Office, and the performance of the powers and duties granted to or imposed upon him by law;

(2) to appoint and fix the compensation of such officers and employees, and prescribe their functions and duties, as may be necessary to carry out the provisions of this Act;

(3) to obtain the services of experts and consultants in accordance with the provisions of section 3109 of title 5, United States Code;

(4) to acquire by purchase, lease, condemnation, or in any other lawful manner, any real or personal property, tangible or intangible, or any interest therein; to hold, maintain, use, and operate the same; to provide services in connection therewith, and to charge therefor; and to sell, lease, or otherwise dispose of the same at such time, in such manner, and to the extent deemed necessary or appropriate;

(5) to construct, operate, lease, and maintain buildings, facilities, and other improvements as may be necessary;

(6) to accept gifts or donations of services, money, or property, real, personal, or mixed, tangible or intangible;

(7) to enter into contracts or other arrangements or modifications thereof, with any government, any agency or department of the United States, or with any person, firm, association, or corporation, and such contracts or other arrangements, or modifications thereof, may be entered into without legal consideration, without performance or other bonds, and without regard to section 3709 of the Revised Statutes, as amended (41 U.S.C. 5);

(8) to make advance, progress, and other payments which the Director deems necessary under this Act without regard to the provisions of section 3648 of the Revised Statutes, as amended (31 U.S.C. 529); and

(9) to take such other action as may be necessary to carry out the provisions of this Act.

REPORTS TO THE CONGRESS

SEC. 204. The Director shall, as soon as practicable after the end of each fiscal year, make a report in writing to the President for submission to the Congress on the activities of the Office during the preceding fiscal year.

MISCELLANEOUS TRANSFER PROVISIONS

SEC. 205. (a) All orders, determinations, rules, regulations, permits, contracts, certificates, licenses, and privileges—

(1) which have been issued, made, granted, or allowed to become effective in the exercise of functions which are transferred under this Act, by (A) any agency or office, or part thereof, any functions of which are transferred by this Act, or (B) any court of competent jurisdiction; and

(2) which are in effect at the time this title takes effect;

shall continue in effect according to their terms until modified, terminated, superseded, set aside, or repealed by the Director, by any court of competent jurisdiction, or by operation of law.

(b) The provisions of this Act shall not affect any proceedings pending at the time this section takes effect before any agency or office, or part thereof, functions of which are transferred by this Act, except that such proceedings, to the extent that they relate to functions so transferred, shall be continued before the Office. Such proceedings, to the extent they do not relate to functions so transferred, shall be continued before the agency or office, or part thereof, before which they were pending at the time of such transfer. In either case orders shall be issued in such proceedings, appeals shall be taken therefrom, and payments shall be made pursuant to such orders, as if this Act had not been enacted, and orders issued in any such proceedings shall continue in effect until modified, terminated, superseded, or repealed by the Director, by a court of competent jurisdiction, or by operation of law.

(c) Except as provided in paragraph (2)—

(A) the provisions of this title shall not affect suits commenced prior to the date this section takes effect; and

(B) in all such suits proceedings shall be had, appeals taken, and judgments rendered, in the same manner and effect as if this Act had not been enacted. No suit, action, or other proceeding commenced by or against any officer in his official capacity as an officer of any agency or office, or part thereof, functions of which are transferred by this Act, shall abate by reason of the enactment of this Act. No cause of action by or against any agency or office, or part thereof, functions of which are transferred by this Act, or by or against any officer thereof in his official capacity shall abate by reason of the enactment of this Act. Causes of actions, suits, or other proceedings may be asserted by or against the United States or such official of the office as may be appropriate and, in any litigation pending when this section takes effect, the court may at any time, on its own motion or that of any party, enter an order which will give effect to the provisions of this subsection.

(2) If before the date on which this title takes effect, any agency or office, or officer thereof in his official capacity, is a party to a suit, and under this Act—

(A) such agency or office, or any part thereof, is transferred to the Director; or

(B) any function of such agency, office, or part thereof, or officer is transferred to the Director;

then such suit shall be continued by the Director (except in the case of a suit not involving functions transferred to the Director, in which case the suit shall be continued by the agency, office, or part thereof, or officer which was a party to the suit prior to the effective date of this title).

(d) With respect to any function transferred by this Act and exercised after the effective date of this title, reference in any other Federal law to any agency, office, or part thereof, or officer so transferred or functions of which are so transferred shall be deemed to mean the office or officer in which

such function is vested pursuant to this Act.

(e) This Act shall not have the effect of releasing or extinguishing any criminal prosecution penalty, forfeiture, or liability incurred as a result of any function transferred under this Act.

(f) Orders and actions of the Director in the exercise of functions transferred under this Act shall be subject to judicial review to the same extent and in the same manner as if such orders and actions had been by the agency or office, or part thereof, exercising such functions, immediately preceding their transfer. Any statutory requirements relating to notice, hearings, action upon the record, or administrative review that apply to any function transferred by this Act shall apply to the exercise of such function by the Director.

(g) In the exercise of the functions transferred under this Act, the Director shall have the same authority as that vested in the agency or office, or part thereof, exercising such functions immediately preceding their transfer, and his actions in exercising such functions shall have the same force and effect as when exercised by such agency or office, or part thereof.

EFFECTIVE DATE

SEC. 206. (a) This title, other than this section, shall take effect ninety days after the date of enactment of this Act, or on such prior date after enactment of this Act as the President shall prescribe and publish in the Federal Register.

(b) Notwithstanding subsection (a), any of the officers provided for in subsection (a) or (b) of section 201 may be appointed in the manner provided for in this Act, at any time after the date of enactment of this Act. Such officers shall be compensated from the date they first take office, at the rates provided for in this Act. Such compensation and related expenses of their offices shall be paid from funds available for the functions to be transferred to the Director pursuant to this Act.

TITLE III—THE ADMINISTRATION OF DISASTER ASSISTANCE

PART A—EMERGENCY RELIEF
FEDERAL COORDINATING OFFICER

SEC. 301. (a) Immediately upon the President's designation of an area as a major disaster area, the Director shall appoint a coordinating officer to operate in such area.

(b) In order to effectuate the purposes of this Act, the coordinating officer shall perform the following functions within the disaster area:

(1) make an initial appraisal of the types of relief most urgently needed;

(2) deploy any emergency support teams assigned to the area by the Director;

(3) establish such field officers as he deems necessary and as are authorized by the Director;

(4) coordinate the administration of relief, including activities of the American National Red Cross and such other private relief organizations as may agree to operate under his advice or direction; and

(5) take such other action, consistent with authority delegated to him by the Director, and consistent with the provisions of this Act, as he may deem necessary to assist local citizens and public officials in promptly obtaining assistance to which they are entitled.

EMERGENCY SUPPORT TEAMS

SEC. 302. The Director is authorized to recruit, train, or otherwise develop emergency support teams of personnel with the capability and responsibility of deploying themselves in a major disaster area immediately upon the proclamation of a major disaster. Such teams shall have such equipment and supplies as may be necessary to bring immediate, emergency assistance to disaster victims upon deployment. An emergency support team deployed in a dis-

aster area by the Director shall make a preliminary survey of the disaster area and advise the Federal coordinating officer with respect to the types of assistance most urgently needed, and, subject to the direction of such officer, give assistance and relief to the victims of the disaster.

EMERGENCY COMMUNICATIONS SYSTEMS

SEC. 303. The Director is authorized, after consultation with such other Federal agencies, including the Federal Communications Commission and the Federal Aviation Agency, as may be appropriate, to establish an emergency communications system in any major disaster area in order to carry out the functions of his office, and to make such system available to State and local government officials and other persons as he deems appropriate.

COOPERATION OF FEDERAL AGENCIES

SEC. 304. In any major disaster, Federal agencies are hereby authorized, upon request of the Director, to cooperate with the Director in providing assistance by—

(1) utilizing or lending, with or without compensation therefor, to States and local governments, their equipment, supplies, facilities, personnel, and other resources, other than the extension of credit under the authority of any Act;

(2) distributing, through the American National Red Cross, other private relief organizations, or otherwise, medicine, food, and other consumable supplies;

(3) donating or lending equipment and supplies, determined in accordance with applicable laws to be surplus to the needs and responsibilities of the Federal Government;

(4) performing on public or private lands protective and other work essential for the preservation of life and property, including—

(a) clearing debris and wreckage;

(b) making repairs to, or replacing, public facilities, belonging to State or local governments, which were damaged or destroyed by a major disaster;

(c) providing temporary housing or other emergency shelter for families who, as a result of such major disaster, require temporary housing or other emergency shelter; and

(d) making contributions to State or local governments for the purpose of carrying out the provisions of this paragraph.

Any funds received by Federal agencies as reimbursement for services or supplies furnished under the authority of this section shall be deposited to the credit of the appropriation or appropriations currently available for such services or supplies. The Federal Government shall not be liable for any claim based upon the exercise or performance or the failure to exercise or perform a discretionary function or duty on the part of a federal agency or an employee of the Government in carrying out the provisions of this section.

PART B—RECOVERY ASSISTANCE

DEBRIS REMOVAL GRANTS

SEC. 305. The Director, whenever he determines it to be in the public interest, is authorized to make a grant or grants to any State or local government or agency thereof for the purpose of removing debris deposited on privately owned lands and on or in privately owned waters as a result of a major disaster, and such State or local government or agency is authorized, upon application, to make payments from amounts received in such grants to any person for reimbursement of expenses actually incurred by such person in the removal of such debris, but not to exceed the amount that such expenses exceed the salvage value of such debris.

TEMPORARY HOUSING

SEC. 306. (a) The Director is authorized to provide on a temporary basis, as prescribed in this section, dwelling accommodations for individuals and families displaced by a major disaster.

(b) The Director is authorized to provide such accommodations by (1) using any unoccupied housing owned by the United States under any program of the Federal Government, (2) arranging with a local public housing agency for using unoccupied public housing units, or (3) acquiring existing dwellings or mobile homes or other readily fabricated dwellings, by purchase or lease, to be placed on sites furnished by the State or local government or by the owner-occupant displaced by the major disaster, with no site charge being made. Rentals shall be established for such accommodations, under such rules and regulations as the Director may prescribe, taking into account the financial ability of the occupant. In case of financial hardship, rentals may be compromised, adjusted, or waived for a period not to exceed twelve months, but in no case shall any such individual or family be required to incur a monthly housing expense (including any fixed expense relating to the amortization of debt owing on a house destroyed or damaged in a major disaster) which is in excess of 25 per centum of the monthly income of the occupant or occupants.

EMERGENCY PUBLIC TRANSPORTATION

SEC. 307. The Director is authorized to provide an emergency public transportation service in a major disaster area. Such service will provide transportation to governmental offices, supply centers, stores, post offices, major employment centers, and such other places as may be necessary in order to enable the community to resume its normal pattern of life as soon as possible. Such service shall be provided only until regular public transportation is restored or provided on a regular basis, and shall not in any case be provided for more than one year after the date of the major disaster proclamation.

SMALL BUSINESS DISASTER LOANS

SEC. 308 (a) In the administration of the disaster loan program under section 7(b)(1) of the Small Business Act, as amended (15 U.S.C. 636(b)), in the case of property loss or damage resulting from a major disaster the Small Business Administration—

(1) to the extent such loss or damage is not compensated for by insurance or otherwise, (A) shall at the borrower's option on that part of any loan in excess of \$500 cancel (i) the interest due on the loan, or (ii) the principal of the loan, or (iii) any combination of such interest or principal except that the total amount so canceled shall not exceed 50 per centum of the amount of such loss or damage, or \$5,000, whichever is less, and (B) may defer interest payments or principal payments, or both, in whole or in part, on such loan during the first three years of the term of the loan without regard to the ability of the borrower to make such payments;

(2) may grant any loan for the repair, rehabilitation, or replacement of property damaged or destroyed, without regard to whether the required financial assistance is otherwise available from private sources; and

(3) may in the case of the total destruction or substantial property damage of a home or business concern refinance any mortgage or other liens outstanding against the destroyed or damaged property if such financing is for the repair, rehabilitation, or replacement of property damaged or destroyed as a result of such disaster and any such refinancing shall be subject to the provisions of clauses (1) and (2) of this section.

(b) Section 7(b)(2)(A) of the Small Business Act (15 U.S.C. 636(b)(2)(A)) is amended to read as follows:

"(A) a major disaster, as determined by the President under the Omnibus Disaster Assistance Act, or".

(c) Section 7(f) of the Small Business Act (15 U.S.C. 636(f)) is amended by striking out "section 2(a) of the Act of September 30, 1950 (42 U.S.C. 1855a(a))" and inserting in lieu thereof "Section 102(1) of the Omnibus Disaster Assistance Act".

FARMERS HOME ADMINISTRATION 'EMERGENCY LOANS'

SEC. 309. In the administration of the emergency loan program under subtitle C of the Consolidated Farmers Home Administration Act of 1961, as amended (7 U.S.C. 1961-1967), in the case of property loss or damage resulting from a major disaster the Secretary of Agriculture—

(1) to the extent such loss or damage is not compensated for by insurance or otherwise, (A) shall at the borrower's option on that part of any loan in excess of \$500 cancel (i) the interest due on the loan, or (ii) the principal of the loan, or (iii) any combination of such interest or principal except that the total amount so cancelled shall not exceed 50 per centum of the amount of such loss or damage, or \$5,000, whichever is less, and (B) may defer interest payments or principal payments, or both, in whole or in part, on such loan during the first three years of the term of the loan without regard to the ability of the borrower to make such payments;

(2) may grant any loan for the repair, rehabilitation, or replacement of property damaged or destroyed, without regard to whether the required financial assistance is otherwise available from private sources; and

(3) may in the case of the total destruction or substantial property damage of a home or business concern refinance any mortgage or other liens outstanding against the destroyed or damaged property if such financing is for the repair, rehabilitation, or replacement of property damaged or destroyed as a result of such disaster and any such refinancing shall be subject to the provisions of clauses (1) and (2) of this section.

LOANS HELD BY THE VETERANS' ADMINISTRATION

SEC. 310. Section 1820(f) of title 38, United States Code, is amended to read as follows:

"(f)(1) The Administrator is authorized to refinance any loan made or acquired by the Veterans' Administration when he finds such refinancing necessary because of the loss of or destruction or damage to, property securing such loan as the result of a major disaster as determined by the President pursuant to the Omnibus Disaster Assistance Act.

"(2) The interest rate on any loan refinanced under this subsection may be reduced to a rate equal to the average annual interest rate on all interest-bearing obligations of the United States having maturities of twenty years or more and forming a part of the public debt as computed at the end of the fiscal year next preceding the date of the loan, adjusted to the nearest one-eighth of 1 per centum, and the term thereof may be extended for such period as will provide a maturity of not to exceed forty years, except that the administrator may authorize a suspension in the payment of principal and interest charges on, and an additional extension in the maturity of, any such loan for a period not to exceed five years if he determines that such action is necessary to avoid severe financial hardship.

"(3) To the extent such loss or damage is not compensated for by insurance or otherwise, the Administrator shall, at the borrower's option on that part of any loan in excess of \$500, cancel (A) the interest due on the loan, or (B) the principal of the loan, or (C) any combination of such interest or principal except that the total amount so canceled shall not exceed 50 per centum of

the amount of such loss or damage, or \$5,000, whichever is less."

DISASTER LOAN INTEREST RATES

SEC. 311. Notwithstanding any other provision of law, any loan made under the authority of a disaster loan program administered by any federal agency, for the purpose of reconstruction, repair, or replacement of a structure damaged or destroyed as the result of a major disaster, or for the purpose of refinancing existing loans, mortgages, or liens on a structure so damaged or destroyed, shall bear interest at a rate not less than the average annual interest rate on all interest-bearing obligations of the United States having maturities of twenty years or more and forming a part of the public debt as computed at the end of the fiscal year next preceding the date of the loan, adjusted to the nearest one-eighth of 1 per centum.

AGE OF APPLICANT FOR LOANS TO REBUILD HOMES

SEC. 312. In the administration of any Federal disaster loan program in which a loan is requested for the purpose of reconstructing, repairing, or replacing any residential structure damaged or destroyed as the result of a major disaster, or for the purpose of refinancing an existing obligation on any such structure so damaged or destroyed, the age of any adult loan applicant shall not be considered in determining whether such loan should be made or the amount of such loan.

BUILDING STANDARDS FOR HOMES REBUILT

SEC. 313. (a) Any residential structure built with the aid of a loan granted by a Federal agency as the result of a major disaster shall be built in accordance with such minimum standards of safety, decency, and sanitation as the Secretary of Housing and Urban Development may prescribe by regulation for such purpose, and in accordance with applicable building codes.

(b) In order to carry out the provisions of this section, the Secretary of Housing and Urban Development is authorized—

(1) to consult with such other officials in the Federal, State, and local governments as he deems necessary, in order that regulations prescribed under this section shall—

(A) carry out the purpose of this section, and

(B) have the necessary flexibility to be consistent with requirements of other building regulations, codes, and program requirements applicable; and

(2) to promulgate such regulations as may be necessary.

AID TO MAJOR SOURCES OF EMPLOYMENT

SEC. 314. (a) The Director is authorized to provide any industrial, commercial, agricultural, or other enterprises, which have constituted the major sources of employment in an area suffering a major disaster, and which are no longer in operation as a result of such disaster, such assistance by means of grants, loans, or a combination thereof, as may be necessary to enable such enterprises to resume operations in order to restore the economic viability of the disaster area.

(b) Assistance under this section shall be in addition to any other Federal disaster assistance provided, however, such other assistance may be adjusted or modified to the extent deemed appropriate by the Director under the authority of section 329 of this Act. Any loans made under this section shall be subject to the interest requirements of section 311 of this Act, but the Director, if he deems it necessary, may defer initial payments of principal and interest for a period not to exceed three years.

FOOD COUPONS AND DISTRIBUTION

SEC. 315. (a) Whenever, as the result of a major disaster, the Director determines that low-income households are unable to purchase adequate amounts of nutritious food, he is authorized, under such terms and con-

ditions as he may prescribe, to distribute through the Secretary of Agriculture coupon allotments to such households pursuant to provisions of the Food Stamp Act of 1964 and to make surplus commodities available pursuant to the provisions of section 304 of this Act.

(b) The Director is authorized to continue through the Secretary of Agriculture to make such coupon allotments and surplus commodities available to such households for so long as he determines necessary, taking into consideration such factors as he deems appropriate, including the consequences of the major disaster on the earning power of the households to which assistance is made available under this section.

(c) Nothing in this section shall be construed as amending or otherwise changing the provisions of the Food Stamp Act of 1964 except as it relates to the availability of food stamps in a major disaster area.

UNEMPLOYMENT ASSISTANCE

SEC. 316. The Director is authorized to provide to any individual unemployed as a result of a major disaster, such assistance as he deems appropriate while such individual is unemployed. Such assistance as the Director shall provide shall not exceed the maximum amount and the maximum duration of payments under the unemployment compensation program of the State in which the disaster occurred and the amount of assistance under this section to any such individual shall be reduced by any amount of unemployment compensation or of private income protection insurance available to such individual for such period of unemployment.

RESTORATION OF FEDERAL FACILITIES

SEC. 317. The President is authorized upon a determination by him that such repair, reconstruction, or restoration is of such importance and urgency that it cannot reasonably be deferred pending the enactment of specific authorizing legislation or the making of an appropriation, to authorize any Federal agency to repair, reconstruct, or restore facilities owned by the United States, under the jurisdiction of such agency, which are damaged or destroyed in any major disaster. In order to carry out the provisions of this section, such repair, reconstruction, or restoration may be begun notwithstanding a lack or an insufficiency of funds appropriated for such purpose, where such lack or insufficiency can be remedied by the transfer, in accordance with law, of funds appropriated for another purpose.

REPAIR OF HIGHWAYS NOT PART OF FEDERAL-AID SYSTEM

SEC. 318. The Director is authorized to make a grant to any States affected by a major disaster for the permanent repair and reconstruction of those permanent street, road, and highway facilities not on any of the Federal-aid systems which were destroyed or damaged as a result of such a major disaster. No funds shall be allocated under this section for repair or reconstruction of such a street, road, or highway facility unless the affected State agrees to pay not less than 50 per centum of all costs of such repair or reconstruction.

REPAIR OF CERTAIN STATE AND LOCAL GOVERNMENT FACILITIES

SEC. 319. The Director is authorized to make a grant of such sums as may be necessary to pay not more than 50 per centum of eligible costs incurred to repair, restore, or reconstruct any project of a State, county, municipal, or other local government agency for flood control, navigation, irrigation, reclamation, public power, sewage treatment, water treatment, watershed development, or airport construction which was damaged or destroyed as a result of a major disaster, and of the resulting additional eligible costs in-

curred to complete any such facility which was in the process of construction when damaged or destroyed as a result of such major disaster. Eligible costs are those costs determined by the Director as incurred or to be incurred in (1) restoring a public facility to substantially the same condition as existed prior to the damage resulting from the major disaster, and (2) completing construction not performed prior to the major disaster to the extent the increase of such costs over original construction costs is attributable to changed conditions resulting from the major disaster. Payment under this section shall be made to the State, or local governmental agency which is constructing the public facility or for which it is being constructed, except that if the economic burden of the eligible costs of repair, restoration, reconstruction, or completion is incurred by an individual, partnership, corporation, agency, or other private entity (other than an organization engaged in the business of insurance), the State or local governmental agency shall pay such individual, partnership, corporation, agency, or other private entity not to exceed 50 per centum of those costs. Eligible costs shall not include any costs for which payment is received pursuant to insurance contracts or otherwise by the party incurring the economic burden of such costs.

COMMUNITY DISASTER LOAN FUND

SEC. 320. (a) There is established within the Treasury a Community Disaster Loan Fund from which the Director may authorize loans to local governments for the purposes of meeting payments of principal and interest on outstanding bonded indebtedness and for providing the local share of any Federal grant-in-aid program which is necessary to the restoration of the area as the result of a major disaster. Such loans shall be made only where the borrowing local government has suffered a loss of more than 25 per centum of its tax base and is otherwise unable to meet such payments or local share obligations.

(b) Loans from the fund established by this section shall be made for such periods as may be necessary, not to exceed twenty years, at an interest rate equivalent to the average annual interest rate on all outstanding interest-bearing obligations of the United States which have a maturity of twenty years or more, computed at the end of the fiscal year next preceding the date of the loan, adjusted to the nearest one-eighth of 1 per centum. The Director may waive initial payments of interest and principal on such a loan for a period not to exceed five years or half the term of the loan, whichever is less.

(c) There is hereby authorized to be appropriated such sums, not to exceed \$100,000,000, as may be necessary to carry out the provisions of this section.

USE OF LOCAL FIRMS AND INDIVIDUALS

SEC. 321. In the expenditure of Federal Funds for debris clearance, distribution of supplies, reconstruction, and other major disaster assistance activities which may be carried out by contract with private organizations, firms, or individuals, preference shall be given first to those persons who reside or do business primarily in the disaster area, and second to those persons residing or doing business primarily in the State in which the disaster area is located.

FEDERAL GRANT-IN-AID PROGRAMS

SEC. 322. In the administration of Federal grant-in-aid programs, any agency charged with the administration of such a program is authorized to modify or waive, for the duration of a major disaster proclamation, such conditions for assistance, including matching funds, as would otherwise prevent the giving of assistance under such programs if the inability to meet such conditions is a result of the disaster.

PRIORITY TO CERTAIN APPLICATIONS FOR PUBLIC FACILITY AND PUBLIC HOUSING ASSISTANCE

SEC. 323. In the processing of applications for assistance—

(1) under title II of the Housing Amendments of 1955, or any other Act providing assistance for the repair, construction, or extension of public facilities;

(2) under the United States Housing Act of 1937 for the provision of low-rent housing;

(3) under section 702 of the Housing Act of 1954 for assistance in public works planning;

(4) under section 702 of the Housing and Urban Development Act of 1965 providing for grants for public facilities; or

(5) under section 306 of the Consolidated Farmers Home Administration Act

priority and immediate consideration shall be given, during such period as the President shall by proclamation prescribe, to applications from public bodies situated in major disaster areas.

FEDERAL LOAN ADJUSTMENTS

SEC. 324. (a) Where such action is found to be necessary because of impairment of the economic feasibility of the system, or loss, destruction, or damage of the property of borrowers under programs administered by the Rural Electrification Administration, resulting from a major disaster, the Secretary of Agriculture is authorized to adjust and to readjust the schedules for payment of principal and interest on loans to such borrowers, and to extend the maturity dates of such loans to a period not beyond forty years from the dates of such loans. The authority herein conferred is in addition to the loan extension authority provided in section 12 of the Rural Electrification Act.

(b) The Secretary of Housing and Urban Development is authorized to refinance any note or other obligation which is held by him in connection with any loan made by the Department of Housing and Urban Development or its predecessor in interest, or which is included within the revolving fund for liquidating programs established by the Independent Offices Appropriation Act of 1955, where he finds such refinancing necessary because of the loss, destruction, or damage to property or facilities securing such obligations as a result of a major disaster. The interest rate on any note or other obligation refinanced under this subsection may be reduced to a rate not less than a rate equal to the average annual interest rate on all interest-bearing obligations of the United States having maturities of twenty years or more and forming a part of the public debt as computed at the end of the fiscal year next preceding the date of refinancing, adjusted to the nearest one-eighth of 1 per centum, and the term thereof may be extended for such period as will provide a maturity of not to exceed forty years from the date of the loan. The Secretary may authorize a suspension in the payment of principal and interest charges on, and an additional extension in the maturity of, any such loan for a period not to exceed five years if he determines that such action is necessary to avoid severe financial hardship.

TIMBER SALE CONTRACTS

SEC. 325. (a) Where an existing timber sale contract between the Secretary of Agriculture or the Secretary of the Interior and a timber purchaser does not provide relief from major physical change not due to negligence of the purchaser prior to approval of construction of any section of specified road or other specified development facility and, as a result of a major disaster a major physical change results in additional construction work in connection with such road or facility by such purchaser with an estimated cost as determined by the appropriate Secretary (1) of more than \$1,000 for sales under one million board feet, or (2) of more

than \$1 per thousand board feet for sales of one to three million board feet, or (3) of more than \$3,000 for sales over three million board feet, such increased construction cost shall be borne by the United States.

(b) Where the Secretary determines that damages are so great that restoration, reconstruction, or construction is not practical under the cost-sharing arrangement authorized by subsection (a) of this section, the Secretary may allow cancellation of the contract notwithstanding provisions therein.

(c) The Secretary of Agriculture is authorized to reduce to seven days the minimum period of advance public notice required by the first section of the Act of June 4, 1897 (16 U.S.C. 476), in connection with the sale of timber from national forests, whenever the Secretary determines that (1) the sale of such timber will assist in the construction of any area of a State damaged by a major disaster, (2) the sale of such timber will assist in sustaining the economy of such area, or (3) the sale of such timber is necessary to salvage the value of timber damaged in such major disaster or to protect undamaged timber.

(d) The Director is authorized to make grants to any State or political subdivision thereof for the purpose of removing from privately owned lands timber damaged as a result of a major disaster, and such State or political subdivision is authorized, upon application, to make payments out of such grants to any person for reimbursement of expenses actually incurred by such person in the removal of damaged timber, but not to exceed the amount that such expenses exceed the salvage value of such timber.

PUBLIC LAND ENTRYMEN

SEC. 326. The Secretary of the Interior is authorized to give any public land entryman such additional time in which to comply with any requirement of law in connection with any public land entry for lands affected by a major disaster as the Secretary finds appropriate because of interference with the entryman's ability to comply with such requirement as a result of such major disaster.

PART C—GENERAL PROVISIONS

STATE DISASTER PLANS

SEC. 327. (a) The Director is authorized to provide assistance to the States in developing comprehensive plans and practicable programs for preparation against major disasters, and for relief and assistance for individuals, businesses, and local governments following such disasters. Such plans should include long-range recovery and reconstruction assistance plans for seriously damaged or destroyed public and private facilities.

(b) The Director is authorized to make grants of not more than \$250,000 to any State, upon application therefor, for not to exceed 50 per centum of the cost of developing such plans and programs.

(c) Any State desiring assistance under this section shall designate or create an agency which is specially qualified to plan and administer such a disaster relief program, and shall, through such agency, submit a State plan to the Director not later than December 31, 1971, which shall—

(1) set forth a comprehensive and detailed State program for preparation against and relief following a major disaster, including provisions for emergency and long-term assistance to individuals, businesses, and local governments, and

(2) include provision for the appointment of a State coordinating officer to act in cooperation with the Federal coordinating officer appointed under section 301 of this Act.

(d) As soon as practicable after December 31, 1971, the Director shall make a report to the President, for submission to the Congress, containing his recommendations for programs for the Federal role in the implementation and funding of comprehensive disaster relief plans, and such other recommendations

relating to the Federal role in disaster relief activities as he deems warranted.

USE AND COORDINATION OF PRIVATE RELIEF ORGANIZATIONS

SEC. 328. (a) In providing relief and assistance following a major disaster, the Director may utilize, with their consent, the personnel and facilities of the American National Red Cross, the Salvation Army, the Mennonite Board of Missions and Charities, and other private relief organizations. In the distribution of medicine, food, supplies, or other items, whenever the Director finds that distribution through such organizations is necessary.

(b) The Director is authorized to enter into agreements with the American National Red Cross and other private relief organizations under which the disaster relief activities of such organizations may be coordinated by the Federal coordinating officer whenever such organizations are engaged in providing relief during and after a major disaster. Any such agreement shall include provisions conditioning use of the facilities in the Office and the services of the coordinating officer upon compliance with regulations promulgated by the Director under section 330 of this Act, and such other regulations as the Director may require.

DUPLICATION OF BENEFITS

SEC. 329. (a) The Director, in consultation with the head of each department or agency of the Federal Government administering any program providing financial assistance to persons, business concerns, or other entities suffering losses as the result of a major disaster, shall assure that no such person, business concern, or other entity will receive such assistance with respect to any part of such loss as to which he has received financial assistance under any other program.

(b) The Director shall assure that no person, business concern, or other entity receives any Federal assistance for any part of a loss suffered as the result of a major disaster if such person, concern, or entity received compensation from insurance or any other source for that part of such a loss. Partial compensation for a loss or a part of a loss resulting from a major disaster shall not preclude additional Federal assistance for any part of such a loss not compensated otherwise.

(c) Whenever the Director determines that (1) a person, business concern, or other entity has received assistance under this Act for a loss and that such person, business concern, or other entity received assistance for the same loss from another source; and (2) that the amount received from all sources exceeded the amount of the loss, he shall direct such person, business concern, or other entity to pay to the Treasury an amount, not to exceed the amount of Federal assistance received, sufficient to reimburse the Federal Government for that part of the assistance which he deems excessive.

NONDISCRIMINATION IN DISASTER ASSISTANCE

SEC. 330. (a) The Director shall make, alter, and amend such regulations as may be necessary for the guidance of personnel carrying out emergency relief functions at the site of a major disaster. Such regulations shall include provisions for insuring that the distribution of supplies, the processing of applications, and other relief and assistance activities shall be accomplished in an equitable and impartial manner, without discrimination on the grounds of race, color, religion, nationality, sex, age, or economic status prior to a major disaster.

(b) As a condition of participation in the distribution of assistance or supplies under section 328, private relief organizations shall be required to agree to comply with Office regulations relating to nondiscrimination promulgated by the Director, and such other regulations applicable to activities within a

major disaster area as he deems necessary for the effective coordination of relief efforts.

EMERGENCY SUPPLY DEPOTS

SEC. 331. The Director is authorized to establish such emergency supply depots as he deems necessary for the accumulation of essential disaster relief equipment and supplies.

ADVISORY PERSONNEL

SEC. 332. The Director is authorized to assign advisory personnel to the chief executive officer of any State or local government within a major disaster area, upon request by such officer, whenever the Director determines that such assignment is desirable in order to insure full utilization of relief and assistance resources and programs.

FIRE SUPPRESSION GRANTS

SEC. 333. Director is authorized to make grants and loans to any State to assist in the suppression of any fire on publicly or privately owned forest or grasslands which threatens such destruction as would constitute a major disaster.

DISASTER WARNINGS

SEC. 334. The Director is authorized to utilize or to make available to other agencies the facilities of the civil defense communications system established and maintained pursuant to section 201(c) of the Federal Civil Defense Act of 1950, as amended (50 U.S.C. App. 2281(c)), for the purpose of providing needed warning to governmental authorities and the civilian population in areas endangered by imminent natural disasters.

TITLE IV—THE NATIONAL MAJOR DISASTER INSURANCE PROGRAM

BASIC AUTHORITY

SEC. 401. (a) The Secretary of Housing and Urban Development (hereafter in this title referred to as the "Secretary") is authorized to establish and carry out a national major disaster insurance program which will enable interested persons to purchase insurance against loss resulting from physical damage to or loss of real property or personal property related thereto arising from any major disaster occurring in the United States.

(b) In carrying out the major disaster insurance program the Secretary shall, to the maximum extent practicable, encourage and arrange for—

(1) appropriate financial participation and risk-sharing in the program by insurance companies or other insurers, and

(2) other appropriate participation on other than a risk-sharing basis by insurance companies or other insurers, insurance agents and brokers, and insurance adjustment organizations.

SCOPE OF PROGRAM AND PRIORITIES

SEC. 402. (a) In carrying out the major disaster insurance program the Secretary shall afford a priority to making major disaster insurance available to cover residential properties which are designed for the occupancy of from one to four families.

(b) If on the basis of—

(1) studies and investigations undertaken and carried out and information received or exchanged under section 404, and

(2) such other information may be necessary, the Secretary determines that it would be feasible to extend the major disaster insurance program to cover other properties, he may take such action under this title as from time to time may be necessary in order to make major disaster insurance available to cover, on such basis as may be feasible, any types and classes of—

(A) other residential properties,

(B) business properties,

(C) agricultural properties,

(D) properties occupied by private non-profit organizations, and

(E) properties owned by State and local governments and agencies thereof, and any such extensions of the program to

any types and classes of these properties shall from time to time be prescribed in regulations.

NATURE AND LIMITATION OF INSURANCE COVERAGE

SEC. 403. (a) The Secretary from time to time shall, after consultation with the Director and appropriate representatives of the insurance authorities of the respective States, provide by regulation for general terms and conditions of insurability which shall be applicable to properties eligible for major disaster insurance coverage under section 402, including—

(1) the types, classes, and locations of any such properties which shall be eligible for major disaster insurance;

(2) the nature of and limits of loss or damage in any areas (or subdivisions thereof) which may be covered by such insurance;

(3) the classification, limitation, and rejection of any risks which may be advisable;

(4) appropriate minimum premiums;

(5) appropriate loss-deductibles; and

(6) any other terms and conditions relating to insurance coverage or exclusion which may be necessary to carry out the provisions of this title.

(b) In addition to any other terms and conditions under subsection (a), such regulations shall provide that—

(1) any major disaster insurance coverage based on chargeable premium rates (under section 405) which are less than estimated premium rates (under section 404(a)(1)), shall not exceed—

(A) in the case of residential properties which are designed for the occupancy of from one to four families,

(i) \$15,000 aggregate liability for any dwelling unit, and \$30,000 for any single dwelling structure containing more than one dwelling unit, and

(ii) \$5,000 aggregate liability per dwelling unit for any contents related thereto; and

(B) in the case of any other properties which may become eligible for major disaster insurance coverage under section 402, \$30,000 aggregate liability for any single structure; and

(2) any major disaster insurance coverage which may be made available in excess of any of the limits specified in subparagraphs (A) and (B) shall be based only on chargeable premium rates (under section 405) which are not less than estimated premium rates (under section 404(a)(1)), and the amount of such excess coverage shall not in any case exceed an amount which is equal to any such limit so specified.

ESTIMATES OF PREMIUM RATES

SEC. 404. (a) The Secretary is authorized to undertake and carry out such studies and investigations, and to receive or exchange such information as may be necessary, to estimate on an area, subdivision, or other appropriate basis—

(1) the risk premium rates for major disaster insurance which

(A) based on consideration of the risk involved and accepted actuarial principles, and

(B) including—

(1) applicable operating costs and allowances prescribed under section 408 to be reflected in such rates, and

(ii) any administrative expenses (or portion of such expenses) of carrying out the major disaster insurance program which, in his discretion, should properly be reflected in such rates,

would be required in order to make such insurance available on an actuarial basis for any types and classes of properties for which insurance coverage shall be available under section 402; and

(2) the rates, if less than the rates estimated under paragraph (1), which would

be reasonable, would encourage prospective insureds to purchase major disaster insurance, and would be consistent with the purposes of this title.

(b) In carrying out subsection (a), the Secretary shall, to the maximum extent feasible and on a reimbursement basis, utilize the services of the Department of the Army, the Department of the Interior, the Department of Agriculture, the Department of Commerce, and the Tennessee Valley Authority and, as appropriate, other Federal departments or agencies, and for such purposes, may enter into agreements or other appropriate arrangements with any persons.

ESTABLISHMENT OF CHARGEABLE PREMIUM RATES

SEC. 405. (a) On the basis of estimates made under section 404 and such other information as may be necessary, the Secretary from time to time shall, after consultation with the Director and appropriate representatives of the insurance authorities of the respective States, by regulation prescribe—

(1) chargeable premium rates for any types and classes of properties for which insurance coverage shall be available under section 402 (at less than the estimated risk premium rates under section 404(a)(1), is necessary), and

(2) the terms and conditions under which and areas (including subdivisions thereof) within which such rates shall apply.

(b) Such rates shall, insofar as practicable, be—

(1) based on a consideration of the respective risks involved,

(2) adequate, on the basis of accepted actuarial principles, to provide reserves for anticipated losses, or, if less than such amount, consistent with the objective of making major disaster insurance available, where necessary, at reasonable rates so as to encourage prospective insureds to purchase such insurance, and

(3) stated so as to reflect the basis for such rates, including the differences (if any) between the estimated risk premium rates under paragraph (1) of section 404(a), and the estimated rates under paragraph (2) of such section.

(c) Any chargeable premium rate prescribed under this section is—

(1) at a rate which is not less than the estimated risk premium rate under section 404(a)(1), and

(2) such rate includes any amount for administrative expenses of carrying out the major disaster insurance programs which have been estimated under clause (ii) of section 404(a)(1)(B),

a sum equal to such amount shall be paid to the Secretary, and he shall deposit such sum in the fund authorized under section 407.

TREASURY BORROWING AUTHORITY

SEC. 406. (a) The Secretary is authorized to issue to the Secretary of the Treasury from time to time and have outstanding at any one time, in an amount not exceeding \$500,000,000 (or such greater amount as may be approved by the President), notes or other obligations in such forms and denominations, bearing such maturities, and subject to such terms and conditions as may be prescribed by the Administrator, with the approval of the Secretary of the Treasury. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on the outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of such notes or other obligations. The Secretary of the Treasury is authorized and directed to purchase any notes and other obligations to be issued under this subsection, and for such purpose he is authorized to use as a public

debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under such Act, as amended, are extended to include any purchases of such notes and obligations.

The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this section. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as public debt transactions of the United States.

(b) Any funds borrowed by the Secretary under this authority shall, from time to time, be deposited in the National Major Disaster Insurance Fund established under section 407.

NATIONAL MAJOR DISASTER INSURANCE FUND

SEC. 407. (a) To carry out the major disaster insurance program authorized by this title, the Secretary is authorized to establish in the Treasury of the United States a National Major Disaster Insurance Fund (hereinafter referred to as the "fund") which shall be available, without fiscal year limitation—

(1) to repay to the Secretary of the Treasury such sums as may be borrowed from him (together with interest) in accordance with the authority provided in section 406 of this title; and

(2) to pay such administrative expenses (or portion of such expenses) of carrying out the major disaster insurance program as he may deem necessary; and

(3) to pay claims and other expenses and costs of the major disaster insurance program, as the Secretary deems necessary.

(b) The fund shall be credited with—

(1) such funds borrowed in accordance with the authority provided in section 406 of this Act as may from time to time be deposited in the fund;

(2) such amounts as may be advanced to the fund from appropriations in order to maintain the fund in an operative condition adequate to meet its liabilities;

(3) interest which may be earned on investments of the fund pursuant to subsection (c);

(4) such sums as are required to be paid to the Secretary under section 405(d); and

(5) receipts from any other operations under this title which may, from time to time, be credited to the fund (including premiums and salvage proceeds, if any, resulting from reinsurance coverage).

(c) If, after all outstanding obligations have been liquidated, the Secretary determines that the moneys of the fund are in excess of current needs, he may request the investment of such amounts as he deems advisable by the Secretary of the Treasury in obligations issued or guaranteed by the United States.

PAYMENT OF CLAIMS

SEC. 408. The Secretary is authorized to prescribe regulations establishing the general method or methods by which proved and approved claims for losses may be adjusted and paid for any damage to or loss of property which is covered by major disaster insurance made available under the provisions of this Act.

DISSEMINATION OF MAJOR DISASTER INSURANCE INFORMATION

SEC. 409. The Secretary shall take such action as may, from time to time, be necessary in order to make information and data available to the public and to any State or local agency or official, with regard to—

(1) the major disaster insurance program, its coverage and objectives, and

(2) estimated and chargeable major disaster insurance premium rates, including the basis for and differences between such rates in accordance with the provisions of section 405.

PROHIBITION AGAINST CERTAIN DUPLICATIONS OF BENEFITS

SEC. 410. (a) Notwithstanding the provisions of any other law, no Federal disaster assistance shall be made available to any owner of real property for the physical loss, destruction, or damage of such property, to the extent that such loss, destruction, or damage

(1) is covered by a valid claim which may be adjusted and paid under major disaster insurance made available under the authority of this title, or

(2) could have been covered by a valid claim under major disaster insurance which had been made available under the authority of this title, if—

(A) such loss, destruction, or damage occurred subsequent to one year following the date major disaster insurance was made available in the area (or subdivision thereof) in which such property or the major part thereof was located, and

(B) such property was eligible for major disaster insurance under this title at that date,

and in such circumstances the extent that such loss, destruction, or damage could have been covered shall be presumed (for purposes of this subsection) to be an amount not less than the maximum limit of insurable loss or damage applicable to such property in such area (or subdivision thereof), pursuant to regulations under section 403, at the time insurance was made available in such area (or subdivision thereof).

(b) For purposes of this section "Federal disaster assistance" shall include any Federal financial assistance which may be made available to any person as a result of—

(1) a major disaster,

(2) a natural disaster, as determined by the Secretary of Agriculture pursuant to section 321 of the Consolidated Farmers Home Administration Act of 1961 (7 U.S.C. 1961), and

(3) a disaster with respect to which loans may be made under section 7(b) of the Small Business Act, as amended (15 U.S.C. 636(b)).

(c) For purposes of section 329 of this Act, the term "financial assistance" includes any major disaster insurance which is made available under this title.

PROPERTIES IN VIOLATION OF STATE AND LOCAL LAW

SEC. 411. (a) No new major disaster insurance coverage shall be provided under this Act for any property which the Secretary finds has been declared by a duly constituted State or local zoning authority, or other authorized public body, to be in violation of State or local laws, regulations, or ordinances which are intended to discourage or otherwise restrict land development or occupancy in disaster-prone areas.

COORDINATION WITH OTHER PROGRAMS

SEC. 412. (a) In carrying out this title, the Secretary, in cooperation with the Director, shall consult with other departments and agencies of the Federal Government, and interstate, State, and local agencies having responsibilities for major disaster assistance in order to assure that the programs of such agencies and the major disaster insurance program authorized under this title are mutually consistent.

(b) The Veterans' Administration, the Federal Housing Administration, and any other Federal agency administering a program under which loans or mortgages on residential or other structures are guaranteed or insured by the Federal Government, shall, by regulation, require that any such structure be insured under the major disaster insurance program administered by the Secretary.

TERMINATION OF AUTHORITY

SEC. 413. The Secretary shall not establish or carry out the major disaster insurance

program authorized by this title if he finds and certifies to the President and the Congress not later than June 30, 1971, that major disaster insurance with coverage equal to or more extensive than that which would be provided under this title has been made available on reasonable terms by private insurance companies. The provisions of this title shall have no effect from and after such certification by the Secretary.

TITLE V—MISCELLANEOUS

TECHNICAL AMENDMENTS

SEC. 501. (a) Section 701(a)(3)(B)(ii) of the Housing Act of 1954 (40 U.S.C. 461(a)(3)(B)(ii)) is amended to read as follows: "(ii) have suffered substantial damage as a result of a major disaster as determined by the President pursuant to the Omnibus Disaster Assistance Act;"

(b) Section 8(b)(2) of the National Housing Act (12 U.S.C. 1706c(b)(2)) is amended by striking out of the last proviso the words "section 2(a) of the Act entitled 'An Act to authorize Federal assistance to States and local governments in major disasters, and for other purposes' (Public Law 875, Eighty-first Congress, approved September 30, 1950)" and inserting in lieu thereof the words "section 102(1) of the Omnibus Disaster Assistance Act".

(c) Section 203(h) of the National Housing Act (12 U.S.C. 1709(h)) is amended by striking out "section 2(a) of the Act entitled 'An Act to authorize Federal assistance to States and local governments in major disasters and for other purposes' (Public Law 875, Eighty-first Congress, approved September 30, 1950), as amended" and inserting in lieu thereof "section 102(1) of the Omnibus Disaster Assistance Act".

(d) Section 221(f) of the National Housing Act (12 U.S.C. 17151(f)) is amended by striking out of the last paragraph the words "the Act entitled 'An Act to authorize Federal assistance to States and local governments in major disasters, and for other purposes', approved September 30, 1950, as amended (42 U.S.C. 1855-1855g)" and inserting in lieu thereof the words "the Omnibus Disaster Assistance Act".

(e) Section 7(a)(1)(A) of the Act of September 30, 1950 (20 U.S.C. 241-1(a)(1)(A)), is amended by—

(1) striking out "Office of Emergency Planning" and inserting in lieu thereof "Office of Disaster Assistance"; and

(2) striking out "pursuant to section 2(a) of the Act of September 30, 1950 (42 U.S.C. 1855a(a))" and inserting in lieu thereof the following: "pursuant to section 102(1) of the Omnibus Disaster Assistance Act". (f) Section 16(a) of the Act of September 23, 1950 (79 Stat. 1158; 20 U.S.C. 646(a)) is amended by—

(1) striking out "the Director of the Office of Emergency Planning" and inserting in lieu thereof "the Director of the Office of Disaster Assistance"; and

(2) striking out "section 2(a) of the Act of September 30, 1950 (42 U.S.C. 1855a(a))" and inserting in lieu thereof "section 102(1) of the Omnibus Disaster Assistance Act".

(g) Section 408(a) of the Higher Education Facilities Act of 1963 (20 U.S.C. 758(a)) is amended by striking out "section 2(a) of the Act of September 30, 1950 (42 U.S.C. 1855a(a))" and inserting in lieu thereof the following: "section 102(1) of the Omnibus Disaster Assistance Act".

(h) Section 165(h)(2) of the Internal Revenue Code of 1954, relating to disaster losses (26 U.S.C. 165(h)(2)) is amended to read as follows:

"(2) occurring in an area subsequently determined by the President of the United States to warrant assistance by the Federal Government under the Omnibus Disaster Assistance Act."

(i) Section 5064(a) of the Internal Revenue Code of 1954 (26 U.S.C. 5064(a)), relating to losses caused by disaster, is amended

by striking out "the Act of September 30, 1950 (42 U.S.C. 1855)" and inserting in lieu thereof "the Omnibus Disaster Assistance Act".

(j) Section 5708(a) of the Internal Revenue Code of 1954 (26 U.S.C. 5708(a)), relating to losses caused by disaster, is amended by striking out "the Act of September 30, 1950 (42 U.S.C. 1855)" and inserting in lieu thereof "the Omnibus Disaster Assistance Act".

(k) Section 3 of the Act of June 30, 1954 (68 Stat. 330; 48 U.S.C. 1681), is amended by striking out of the last sentence the words "section 2 of the Act of September 30, 1950 (64 Stat. 1109), as amended (42 U.S.C. 1855a)" and inserting in lieu thereof the following: "section 102(1) of the Omnibus Disaster Assistance Act".

(1) Whenever reference is made in any provision of law (other than this Act), regulation, rule, record, or document of the United States to (1) the Office of Civil Defense, or (2) the Act of September 30, 1950 (64 Stat. 1109), or any provision of such Act, such reference shall be deemed to be a reference to (1) the Office of Disaster Assistance, or (2) the Omnibus Disaster Assistance Act, respectively.

REPEAL OF EXISTING LAW

SEC. 502. The following Acts are hereby repealed:

- (1) the Act of September 30, 1950 (64 Stat. 1109);
- (2) the Disaster Relief Act of 1966 (80 Stat. 1316); and
- (3) the Disaster Relief Act of 1969 (83 Stat. 125).

AUTHORIZATION OF APPROPRIATIONS

SEC. 503. There are hereby authorized to be appropriated, except as provided otherwise in this Act, such sums as may be necessary to carry out the provisions of this Act.

The synopsis, presented by Mr. BAYH, is as follows:

OMNIBUS DISASTER ASSISTANCE ACT, BRIEF SECTION-BY-SECTION SYNOPSIS

TITLE I—FINDINGS AND DECLARATIONS, DEFINITIONS

Sec. 101. Findings and declarations. Congress would declare its intention to provide relief to disaster areas by revising and broadening relief programs, advanced planning, and improved federal administration.

Sec. 102. Definitions. Same as P.L. 91-79, except for the addition of the words "high waters, wind-driven waters, tidal waves, and tornado."

TITLE II—OFFICE OF DISASTER ASSISTANCE

Sec. 201. Establishment. The Office of Disaster Assistance (ODA) would be established within the Executive Office of the President, headed by a Director. ODA would subsume the functions of the Office of Civil Defense, which would be abolished, and the national disaster functions of the Office of Emergency Preparedness.

Sec. 202. Transfer of Personnel. Personnel, property, contracts, and records of the Office of Civil Defense and the disaster relief functions of the Office of Emergency Preparedness would be transferred to ODA.

Sec. 203. Authority of the Director. The Director would have the usual powers conferred on the head of an agency.

Sec. 204. Reports to Congress. The Director would submit a report to Congress on the activities of the Office of Disaster Assistance at the end of each fiscal year.

Sec. 205. Miscellaneous Transfer Provisions. Provides that certain administrative responsibilities, obligations and functions would be transferred to the new Office of Disaster Assistance.

TITLE III—THE ADMINISTRATION OF DISASTER ASSISTANCE

Part A—Emergency relief

Sec. 301. Federal Coordinating Officer. Would strengthen and expand the role of the Federal coordinating officer established by the 1969 disaster relief act.

Sec. 302. Emergency Support Teams. The coordinating officer would deploy emergency support teams where needed, and coordinate relief administration with private organizations.

Sec. 303. Emergency Communications System. The Director would establish an emergency communications system which would be made available to state and local governments.

Sec. 304. Cooperation of Federal Agencies. Other federal agencies, at the request of the Director of ODA, would be authorized to provide facilities, supplies, personnel, food, medicine, etc., for distribution, and to provide machinery for clearance of debris, to make repairs, etc.

Part B—Recovery assistance

Sec. 305. Debris Removal Grants. Grants to state and local governments for removal of debris from private property would be authorized.

Sec. 306. Temporary Housing. Provisions for temporary housing would be similar to those in P.L. 91-79; but the Director of ODA would be authorized to purchase as well as lease mobile homes. Temporary housing rentals would be charged according to ability to pay, and could not exceed 25% of family income for one year after the disaster.

Sec. 307. Emergency Public Transportation. Emergency public transportation would be authorized in a major disaster area where regular public transportation has been disrupted. Service would be terminated when regular public transportation has been restored but in no case would it continue for more than one year.

Sec. 308. Small Business Disaster Loans. SBA disaster loans could be made for refinancing the repair or reconstruction of homes and businesses, regardless of the availability of loans from other sources. Cancellation of up to 50% of uninsured losses in excess of \$500 up to a maximum of \$5000 would be authorized through the forgiveness of principal and/or interest. Payments of principal and/or interest could be deferred up to 3 years.

Sec. 309. Farmers Home Administration Emergency Loans. FHA disaster loans would be treated the same as those made by FHA in Sec. 308.

Sec. 310. Loans Held by the Veterans Administration. Veterans Administration loans could be refinanced in disasters under terms similar to SBA and FHA disaster loans.

Sec. 311. Disaster Loan Interest Rates. All disaster loans administered by any Federal agency would bear an interest rate not less than the average of all U.S. interest-bearing obligations maturing in 20 years or more, adjusted to the nearest $\frac{1}{8}$ th of 1%.

Sec. 312. Age of Applicant for Disaster Home Loans. All Federally administered disaster loan applications must be considered without discrimination because of age.

Sec. 313. Building Standards for Homes Rebuilt. Any home repaired or rebuilt with the aid of disaster loans would have to be constructed according to minimum standards of safety, decency and sanitation as prescribed by HUD.

Sec. 314. Aid to Major Sources of Employment. The Director would be authorized to make grants or loans to industries and businesses which are a major source of employment in a disaster-stricken area. Loans would

be at interest rates prescribed in Sec. 311, but the Director would be authorized to defer payments of principal and interest for up to three years.

Sec. 315. Food Coupons and Distribution. The Director would be authorized to distribute, through the Secretary of Agriculture, food stamps and commodities in areas where he determined that low-income family households would be unable to purchase sufficient quantities of nutritious food.

Sec. 316. Unemployment Assistance. Unemployment compensation would be provided for individuals made jobless by disasters but who would not be eligible for unemployment compensation under the laws of their states.

Sec. 317. Restoration of Federal Facilities. The President would be authorized to order the reconstruction of any federal facility damaged or destroyed by disaster. Any agency could begin reconstruction, even if sufficient funds were not available to complete the job, provided that sufficient funds could be transferred from another agency's appropriations.

Sec. 318. Repair of Highways Not Part of Federal-Aid System. The Director would be authorized to approve grants for the restoration of state and local highways not on the federal-aid system damaged by disasters. Grants could not exceed 50% of the total cost of restoration.

Sec. 319. Repair of Certain State and Local Government Facilities. The Director would be authorized to make grants up to 50% of the costs of restoring public works projects in the process of construction but not yet completed which might be damaged or destroyed by major disasters. Eligible public works include projects for flood control, navigation, reclamation, electric power, water and sewage treatment, airports.

Sec. 320. Community Disaster Loan Fund. \$100 million would be authorized for a Disaster Loan Fund in the Treasury which could be used for loans to local governments which have lost at least 25% of their tax base because of a major disaster. Loans would be made at interest rates specified in Sec. 311, except that the Director would be authorized to waive payment of interest and principal for up to five years.

Sec. 321. Use of Local Firms and Individuals. In the expenditure of federal funds, preference would be given to those persons or firms who work or do business in the areas which are receiving major disaster assistance.

Sec. 322. Federal Grant-in-Aid Programs. Any agency administering aid to disaster areas would be authorized to waive the conditions for receipt of federal grant-in-aid programs for the duration of the disaster proclamation, if inability to meet such conditions resulted from the disaster.

Sec. 323. Priority to Certain Applications for Public Facility and Public Housing Assistance. In processing applications for various housing programs, priority would be given to applications from public bodies located in disaster areas for the duration of a Presidential major disaster proclamation.

Sec. 324. Federal Loan Adjustments. The Secretary of Agriculture would be authorized to readjust payment schedules of borrowers from Rural Electrification Administration, if the borrowers are unable to make payments because of disaster damage. The Secretary of HUD would be authorized to refinance any note or other obligation which could not be paid because of disaster damage. The interest rate could be reduced to the rate provided by Sec. 311 above. The Secretary would be authorized to suspend payment of interest and principal and to extend maturity of loans which may cause financial hardship.

Sec. 325. Timber Sale Contracts. Grants could be made to assist in the increased costs for the repair of forest roads and for the salvaging and clean-up costs of disaster-damaged timber.

Sec. 326. Public Land Entrymen. The Secretary of Interior would be authorized to give public land entrymen additional time to comply with legal requirements for land entry if disaster damage prevents immediate compliance.

Part C—General Provisions

Sec. 327. State Disaster Plans. The President would be authorized to grant up to \$250,000 to any State for not more than 50% of the cost of preparing comprehensive plans and practicable programs for preparation against and for relief to individuals, businesses and local governments suffering losses in major disasters.

Sec. 328. Use and Coordination of Private Relief Organizations. The Director would be authorized to make agreements with private relief organizations to help distribute food, clothing, medicine and other supplies, in accordance with Sec. 330, below, which would bar discrimination. The Director would be authorized to make agreements with private organizations which would allow the federal coordinating officer to coordinate all relief activities of private agencies in a given disaster area.

Sec. 329. Duplication of Benefits. The Director of ODA would be required to ascertain that no person or business would be receiving aid from more than one source for the same disaster damage. No person or business could receive assistance from the government for any loss compensated by insurance. The Director would be required to determine whether any person had received duplicate benefits and direct him to reimburse the Treasury for the excess amount.

Sec. 330. Non-discrimination in Disaster Assistance. The Director would be required to issue regulations forbidding discrimination by race, color, age, sex, nationality, religion or economic status in providing disaster relief supplies and services.

Sec. 331. Emergency Supply Depots. The Director would be authorized to establish emergency supply depots for disaster assistance materials.

Sec. 332. Advisory Personnel. The Director would be authorized to assign advisory personnel to the chief executive officer of a state or local government.

Sec. 333. Fire Suppression Grants. The Director would be authorized to make grants and loans to any state in order to assist in the suppression of fires on publicly or privately owned forest and grass lands.

Sec. 334. Disaster Warnings. The Director would be authorized to make available facilities of the civil defense communications system for warnings against imminent disasters.

TITLE IV—THE NATIONAL MAJOR DISASTER INSURANCE PROGRAM

Sec. 401. Basic Authority. Unless a suitable program is established by the private insurance industry by June 30, 1971, the Secretary of HUD would be authorized to establish a national major-disaster insurance program to enable property owners to buy comprehensive major disaster insurance.

Sec. 402. Scope of Program and Priorities. Dwellings in which are housed one to four families would be given priority for insurance. The Secretary would be authorized, however, to make disaster insurance available to other residential, business, agricultural, non-profit, and publicly owned properties if studies have deemed such insurance would be feasible.

Sec. 403. Nature and Limitation of Insurance Coverage. The Secretary, in consultation with the Director of ODA and appropriate State insurance authorities, would issue regulations for major disaster insurance pertaining to the classes of property, damage

covered, classification of risks, premium amounts, loss-deductibles, and other matters. Coverage provided by the bill would be divided into two categories: first, a basic minimum amount, the premiums for which could be fixed by the Secretary at a rate below established costs; second, amounts above the basic minimum, which would be charged at rates not less than those estimated to be needed for all costs of providing that protection.

The basic coverage for residential properties housing up to four families would be \$15,000 aggregate liability for any single dwelling unit, \$30,000 for any structure containing more than one dwelling, and \$5,000 aggregate liability for the contents of any dwelling unit. If the Secretary should declare other types of property to be eligible for major disaster insurance, any single structure in those specified categories would have an aggregate liability of \$30,000.

Sec. 404. Estimates of Premium Rates. The Secretary would be authorized to make studies and investigations which would enable him to estimate what the risk premium rates would be for various areas based on actuarial principles, operating costs and administrative expenses. He would also be directed to estimate what level of rates would be reasonable, would encourage prospective insurers to purchase disaster insurance, and would be consistent with the purposes of the act.

Sec. 405. Establishment of Chargeable Premium Rates. The Secretary would from time to time prescribe by regulation the chargeable premium rates for all types and classes of property for which disaster insurance is made available. He could if necessary fix the premium rates for the basic property values covered (noted above) at less than the estimated risk premium rates. Otherwise, the rates would have to be based, insofar as practicable, on the respective risks involved and would have to be adequate to provide reserves for anticipated losses. If the rates were fixed at a lower amount, they would have to be consistent with the objective of making major disaster insurance available at reasonable rates in order to encourage its purchase by homeowners and others.

Sec. 406. Treasury Borrowing Authority. The Secretary would be authorized with the approval of the Secretary of the Treasury, to issue notes or other obligations in an amount not exceeding \$500 million. The Secretary of the Treasury would determine the rate of interest for these notes or obligations, and would be authorized to purchase or sell them as public debt transactions.

Sec. 407. National Major Disaster Insurance Fund. The Secretary would also be authorized to establish in the Treasury of the United States the National Major Disaster Insurance Fund from which would be paid all claims, expenses, administrative costs and debt redemption of the major disaster insurance programs. The Fund would be the repository for all funds which might be borrowed, appropriated by Congress, earned as interest on investments, derived from premiums or received from other operations. If the Secretary should determine that the Fund total would be in excess of current needs, he could request the Secretary of the Treasury to invest the amounts which the latter deemed advisable in obligations issued or guaranteed by the United States.

Sec. 408. Payment of Claims. The Secretary would be authorized to establish regulations for adjustment and payment of claims.

Sec. 409. Dissemination of Major Disaster Insurance Information. The Secretary could make available to state and local agencies data and information with regard to the coverage, objectives and premium rates for disaster insurance programs.

Sec. 410. Prohibition Against Certain Duplications of Benefits. No property-owner

would be eligible for disaster relief assistance if a person or business is covered for losses by insurance or could have been covered by disaster insurance which had been made available in his area at least one year prior to the occurrence of the damage.

Sec. 411. Properties in Violation of State and Local Law. No new major disaster insurance would be provided for properties which the Secretary found to be in violation of State and local zoning laws and ordinances.

Sec. 412. Coordination With Other Programs. The Secretary would consult with the Director of ODA and other departments and agencies of the federal, state and local agencies in order to coordinate the insurance program with their activities. Veterans Administration, Federal Housing Administration, and other federal agencies which guarantee or insure loans and mortgages would have to require that any such structures must be insured under the major disaster insurance program administered by the Secretary.

Sec. 413. Termination of Authority. The major disaster insurance program would not be established if the Secretary determined that by June 30, 1971, private insurance companies have provided equivalent coverage on reasonable terms.

TITLE V—MISCELLANEOUS

Sec. 501. Technical Amendments. Existing statutes would be brought into conformity with the Omnibus Disaster Assistance Act.

Sec. 502. Repeal of Existing Law. The disaster relief acts of 1950, 1966, and 1969 would be repealed.

Sec. 503. Authorization of Appropriations. Funds needed to carry out provisions of the act would be authorized to be appropriated.

Mr. SPONG. Mr. President, it is a pleasure to join the Senator from Indiana, the distinguished chairman of the Special Public Works Subcommittee on Disaster Relief, in the introduction of the Omnibus Disaster Assistance Act.

As a member of the subcommittee, I participated with him in several days of hearings in Mississippi and Virginia for the purpose of evaluating the effectiveness of the Federal response to victims of Hurricane Camille, and determining the need for additional Federal legislation.

The testimony we received was most helpful and enlightening. It demonstrated the need for: First, better coordination between Federal, State, and local officials; second, improvement in the administration of the temporary housing program for disaster victims; third, better systems of communications in disaster areas; fourth, better insurance coverage and quicker settlements of insurance claims; fifth, financial assistance to localities unable to meet their financial obligations because of extensive losses in their tax base; sixth, better dissemination of information, readily understandable to the general citizenry, on the types of available assistance; and seventh, official recognition of additional charitable groups having the capacity to distribute goods and commodities to disaster victims.

The bill being introduced today seeks to accomplish these purposes. A broad range of disaster relief programs would be established on a permanent basis. This would facilitate a quick and effective response to natural disasters which may occur in the future. It is a sounder approach than attempting to respond legislatively to disasters on a piecemeal and

individual basis after they have occurred. Congress cannot be expected to foresee every need arising from every emergency, but the bill we have developed offers great flexibility and establishes a foundation for an efficient response by Government agencies.

The Disaster Relief Act of 1969—Public Law 91-79—has been a useful tool in the Virginia effort to recover from damage inflicted last summer by Hurricane Camille. It was my privilege to serve on the conference committee which developed the legislation. Several key sections of that measure will expire on December 31, 1970, however, and it is important that they be continued and in some cases expanded.

Provisions scheduled to terminate deal with the removal of debris from private property, assistance for the repair and reconstruction of non-Federal aid highways, forgiveness of a portion of disaster loans made by the Small Business Administration and the Farmers Home Administration, authority for temporary housing for disaster victims, and food stamp and unemployment assistance.

Besides establishing these programs on a permanent basis, the bill would consolidate into one act all major existing disaster laws. Such a codification would lead to better coordination of relief machinery, and enable disaster victims to refer to one statute to ascertain the various types of available assistance.

The Omnibus Disaster Act would transfer the functions of the Office of Civil Defense, and the major disaster relief responsibilities of the Office of Emergency Preparedness, into a new Office of Disaster Assistance.

It would expand the role of the Federal coordinating officer provided for in the Disaster Relief Act of 1969 to include responsibility for appraising the types of assistance necessary in a disaster area, for establishing field offices, and for coordinating the administration or relief with private organizations.

The housing provisions of the bill are similar to those in existing law, except authority would be added to purchase as well as lease mobile homes. Rentals would be based on ability to pay, but in no event would exceed 25 percent of family income for 1 year after a disaster.

Emergency public transportation would be authorized in a major disaster area where regular public transportation has been disrupted.

Several changes are proposed in the disaster loan programs of the Small Business Administration and the Farmers Home Administration. Interest rates charged for most loans would be increased from the current 3 percent to the average rate for interest-bearing obligations of the Federal Government. However, this would be offset by increasing the amount of disaster loans which can be forgiven. Under present law, for loans in excess of \$500, a maximum of \$1,800 can be cancelled. A revised formula would provide forgiveness of up to 50 percent of the uninsured loss, to a maximum amount of \$5,000.

I have some reservations over the community disaster loan fund which would be established under the bill. Localities

that have suffered a loss of more than 25 percent of their tax base would be permitted to borrow from the fund in order to make interest and principal payments on outstanding bonded indebtedness.

I have no objection to the intent of the fund, but believe the Federal Government should not be required to bear the burden alone. There should be some requirement for participation by State governments before Federal funds could be loaned to a locality. I expressed the view at the subcommittee's hearings in Virginia that State governments have a responsibility in this area of disaster assistance, and the Senator from Indiana is aware of my feelings. No criticism of the bill is intended by my observation, but I look forward to receiving additional testimony on the point.

The bill provides that both public and private agencies involved in disaster relief work cannot discriminate on the grounds of race, color, religion, nationality, sex, age, or economic status.

Another provision would give official status to the Salvation Army and the Mennonite Board of Missions and Charities in the utilization of their manpower and supplies during disaster recovery efforts. Only the American Red Cross now has such status.

Our subcommittee heard considerable testimony in support of improved insurance protection against major disaster losses. Coverage presently is available for damage from fire, windstorm, and hail, but it is not generally available for floods, mudslides, wind-driven waters, high waves, and earthquakes. Congress sought to remedy the problem of water damage through the enactment of the National Flood Insurance Act of 1968, but that program has not been fully implemented.

The bill seeks to encourage the private insurance industry to develop a major disaster insurance program. I join the Senator from Indiana in inviting industry proposals on a joint approach involving Government participation in an industry-managed insurance system.

In any event, I welcome industry comment on insurance proposals which would become operative under the bill in the event a private plan is not developed. Some of its provisions, particularly those which would deny eligibility for a portion of disaster assistance to property owners who do not have insurance, seem somewhat harsh and restrictive.

However, the insurance section of the bill serves the worthwhile purpose of establishing a basis for comment and discussion. I reserve judgment on this aspect of the measure until the subcommittee has had the benefit of testimony from experts on estimated premium costs, and the possible effect of such costs on lower economic groups.

Mr. President, the bill is deserving of prompt consideration in view of the fact that the most important provisions of last year's Disaster Act will expire on December 31. The Nation has experienced an average of 14 major disasters per year over the past 20 years. The legislation being offered today would establish the means to alleviate promptly and effectively the damage and human suffering that accompany these phenomena.

ADDITIONAL COSPONSORS OF BILLS

S. 3579

Mr. PROUTY. Mr. President, I ask unanimous consent that, at the next printing, the names of the Senator from Vermont (Mr. AIKEN), the Senator from Maine (Mrs. SMITH), the Senator from Massachusetts (Mr. BROOKE), the Senator from New Hampshire (Mr. COTTON), the Senator from Rhode Island (Mr. PASTORE) and the Senator from Rhode Island (Mr. PELL), be added as cosponsors of S. 3579 to authorize the importation without regard to existing quotas of fuel oil to be used for residential heating purposes in the New England States.

The PRESIDING OFFICER (Mr. ALLEN). Without objection, it is so ordered.

S. 3596

Mr. GOODELL. Mr. President, I ask unanimous consent that, at the next printing, the name of the Senator from Vermont (Mr. PROUTY) be added as a cosponsor of S. 3596, the Humane Seal Protection Act of 1970.

The PRESIDING OFFICER (Mr. COOK). Without objection, it is so ordered.

ADDITIONAL COSPONSOR OF A JOINT RESOLUTION

S.J. RES. 61

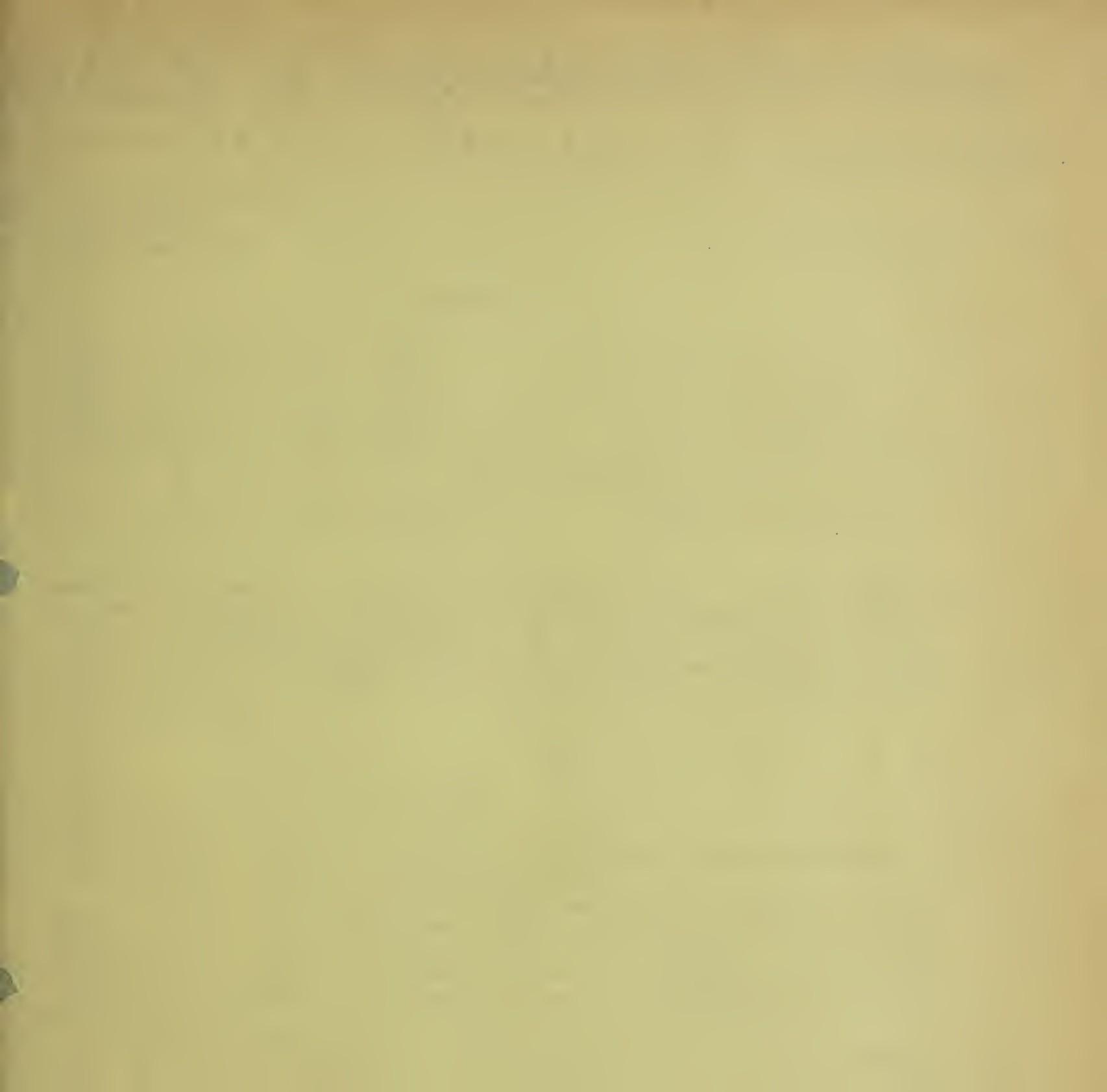
Mr. McCARTHY. Mr. President, I ask unanimous consent that, at the next printing, the names of the Senator from Washington (Mr. MAGNUSON), the Senator from Illinois (Mr. PERCY), and the Senator from Oregon (Mr. PACKWOOD), be added as cosponsors of Senate Joint Resolution 61, proposing an amendment to the Constitution of the United States relative to equal rights for men and women.

The PRESIDING OFFICER (Mr. COOK). Without objection, it is so ordered.

SENATE RESOLUTION 374—RESOLUTION SUBMITTED TO AUTHORIZE THE COMMITTEE ON COMMERCE TO STUDY RESTRAINTS IMPOSED ON U.S. COMMERCE BY FOREIGN IMPORT RESTRICTIONS

Mr. COTTON. Mr. President, I am submitting for appropriate reference a Senate Resolution to authorize the Committee on Commerce to study restraints imposed on U.S. commerce by foreign import restrictions.

Just about every foreign country imposes restrictions on the importation of American goods, but we have none on theirs. The result is the United States has become a dumping ground for cheap shoes, cheap textiles, foreign-made electronic products, and many, many other manufactured goods. For a long time many Members of the Senate have been striving to save American industries and American jobs from being destroyed by this ever-increasing influx. Our efforts have been misunderstood by many who have gained the impression that we are seeking to invoke a protectionist policy and that we are opposed to free trade.



DIGEST of Congressional Proceedings

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

**OFFICE OF BUDGET AND FINANCE
(FOR INFORMATION ONLY;
NOT TO BE QUOTED OR CITED)**

For actions of June 24, 1970
91st-2nd; No. 105

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HIGHLIGHTS: Both Houses passed continuing resolution. Conferees filed report on second supplemental appropriations bill. Rep. Alexander criticized Department's failure in "the development of new farm legislation". Rep. Mizell introduced and discussed bill authorizing leasing of burley tobacco acreage allotments. House subcommittee approved proposed Wheat Research and Promotion Act.

HOUSE

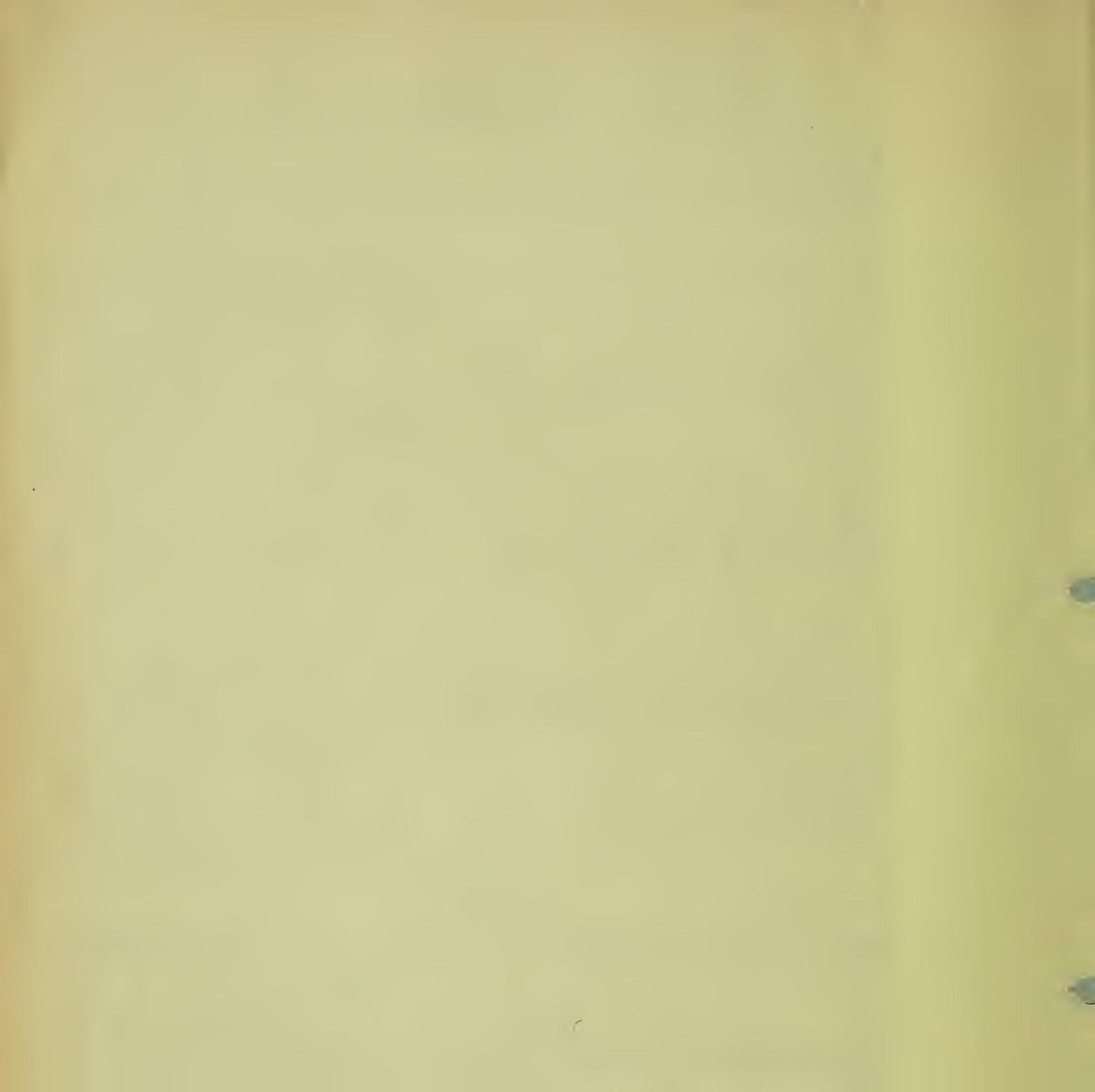
1. APPROPRIATIONS. Both Houses passed H. J. Res. 1264, making continuing appropriations for FY 71. pp. S9745-6, H5946-9
Conferees reported HR 17399, second supplemental appropriations bill, FY 70. Agreed to amounts for USDA items as contained in the Senate version (see Digest No. 94). The Senate provision of \$300 million for the Food Stamp program was amended to change the date for the availability of such funds to cover a four instead of three-month period of time (H. Rept. No. 91-2227). pp. H6013-4
Passed HR 18127 without amendment, the public works and AEC appropriations bill, FY 71. pp. H5949-91

2. GRAINS. An Agriculture Committee subcommittee approved for the full committee HR 13543, amended, the proposed Wheat Research and Promotion Act. p. D679
3. FARM PROGRAM. Rep. Alexander criticized the Department for its failure in "the development of new farm legislation" and stated "USDA apparently cannot decide where it stands on legislative proposals". pp. H6002-3
4. LAND AND WATER CONSERVATION. The Committee on Interior and Insular Affairs reported, with amendment, HR 15913, amending the Land and Water Conservation Fund Act of 1965 (H. Rept. No. 91-1225). p. H6015
5. MOTOR VEHICLES. A Government Operations Committee subcommittee approved for full committee S. 2763, allowing the purchase of additional systems and equipment for passenger motor vehicles over and above the statutory price limitation. p. D680
6. RIVER BASIN; IRRIGATION. An Interior and Insular Affairs Committee subcommittee approved for full committee the following bills: HR 7521, amended, authorizing the Riverton extension unit, Missouri River Basin project; HR 9804, authorizing supplemental irrigation facilities; and HR 13001 amended, respecting the Navajo Indian irrigation project. p. D680
7. HIGHWAYS. The Ways and Means Committee agreed to a 3-year extension of the highway trust fund subject to drafting of proper legislation. p. D680
8. FESTIVAL. Several Representatives spoke in support of a resolution establishing an annual "Day of Bread" and "Harvest Festival" week in October. pp. H5943, H5994, H6011
9. HOUSING. Rep. Patman urged the restoration of title V, providing for a National Development Bank for Housing, to the proposed Emergency Home Finance Act of 1970. pp. H5996-8

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10. APPROPRIATIONS. The Appropriations Committee reported, with amendments, HR 17548, the independent offices and HUD appropriations bill, FY 71 (S. Rept. No. 91-949). p. S9671
11. DISASTER RELIEF. A Public Works Committee subcommittee approved for full committee S. 3619, with amendments, establishing a comprehensive Federal disaster relief program. p. D678
12. PRIVATE BILL. The Judiciary Committee reported without amendment HR 13740, for the relief of Kimball Brothers Lumber Company (S. Rept. No. 91-953). p. S9671
13. LANDS. Received a report of the Public Land Law Revision Commission; to the Committee on Interior and Insular Affairs. p. S9671

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DIGEST of Congressional Proceedings OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(FOR INFORMATION ONLY;
NOT TO BE QUOTED OR CITED)

For actions of August 31, 1970
91st-2nd; No. 152

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1. DISASTER RELIEF. Committee on Public Works favorably reported, with an amendment, S. 3619, the Disaster Assistance Act of 1970 (S. Rept. No. 91-1157). p. S14683
2. MEAT INSPECTION. Sen. Young, North Dakota, stated that it is wrong to believe that imported meat is subjected to adequate inspection and he placed in the Record a Western Livestock Reporter article critical of the inspection system for imported meat. pp. S14688-9
3. ECONOMY. Sen. Bennett commended the President and his economic advisers for bringing inflation under control without economic reversals and without a costly recession. p. S14692

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4. FOOD. Rep. Farbstein inserted an editorial urging FCC action on a petition to require the open dating of food. p. E7962

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5. VETERANS BENEFITS. S. 4305, by Sen. Percy, to amend section 902 of title 38, United States Code, to eliminate certain duplications in Federal benefits now payable for the same, or similar, purposes; and
S. 4306, by Sen. Percy, to repeal the savings provision of Public Law 90-493 protecting veterans entitled to disability compensation for arrested tuberculosis; to the Committee on Finance. Remarks of author, pp. S14678-80.
6. ENVIRONMENT. S. 4307, by Sen. Percy et al, to amend the Environmental Quality Improvement Act of 1970 in order to establish a Corps of Engineers Environmental Advisory Board; to the Committee on Public Works. Remarks of author, pp. S14680-1.

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Calendar No. 1175

91ST CONGRESS
· 2D SESSION

S. 3619

[Report No. 91-1157]

IN THE SENATE OF THE UNITED STATES

MARCH 20, 1970

Mr. BAYH (for himself, Mr. BIBLE, Mr. BROOKE, Mr. CRANSTON, Mr. DODD, Mr. EAGLETON, Mr. EASTLAND, Mr. FONG, Mr. GRAVEL, Mr. HARRIS, Mr. HART, Mr. HARTKE, Mr. HUGHES, Mr. INOUYE, Mr. JACKSON, Mr. JAVITS, Mr. KENNEDY, Mr. MAGNUSON, Mr. McGEE, Mr. McINTYRE, Mr. MILLER, Mr. MONDALE, Mr. MUSKIE, Mr. PELL, Mr. RANDOLPH, Mr. SPONG, Mr. STEVENS, Mr. TYDINGS, Mr. WILLIAMS of New Jersey, Mr. YARBOROUGH, and Mr. YOUNG of Ohio) introduced the following bill; which was read twice and referred to the Committee on Public Works

AUGUST 31, 1970

Reported by Mr. BAYH, with an amendment

[Strike out all after the enacting clause and insert the part printed in italic]

A BILL

To create, within the Office of the President, an office of Disaster Assistance, to revise and expand Federal programs for relief from the effects of major disasters, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 *That this Act may be cited as the "Omnibus Disaster Assist-*
4 *ance Act".*

5 **TITLE I—FINDINGS AND DECLARATIONS,**

6 **DEFINITIONS**

7 **FINDINGS AND DECLARATIONS**

8 SEC. 101. (a) The Congress hereby finds and declares
9 that—

10 (1) because extensive property damage and loss,

1 loss of life, loss of income, and human suffering result
2 from major disasters such as hurricanes, tornadoes,
3 storms, floods, high waters, wind driven waters, tidal
4 waves, earthquakes, droughts, fires, and other catastro-
5 phes; and

6 (2) because such disasters disrupt the normal
7 functioning of government and the community, and ad-
8 versely affect individual persons and families with great
9 severity, special measures, designed to expedite the
10 rendering of aid and assistance and the reconstruction
11 and rehabilitation of devastated areas, are necessary.

12 (b) It is the intent of the Congress, by this Act, to
13 provide an orderly and continuing means of alleviating the
14 suffering and damage which result from such disasters by

15 (1) revising and broadening the scope of existing
16 major disaster relief programs;

17 (2) encouraging the development of comprehensive
18 disaster relief programs by the States; and

19 (3) achieving greater coordination and responsive-
20 ness of Federal major disaster relief programs by con-
21 solidating their administration.

22 **DEFINITIONS**

23 SEC. 102. As used in this Act

24 (1) "major disaster" means any flood, high waters,
25 wind driven waters, tidal wave, drought, fire, hurricane,

1 tornado, earthquake, storm, or other catastrophe in
2 any part of the United States which in the determina-
3 tion of the President, is or threatens to be of sufficient
4 severity and magnitude to warrant disaster assistance
5 by the Federal Government to supplement the efforts
6 and available resources of States, local governments,
7 and private relief organizations in alleviating the dam-
8 age, loss, hardship, or suffering caused thereby, and
9 respecting which the Governor of any State in which
10 such catastrophe occurs or threatens to occur certifies
11 the need for disaster assistance under this Act, and shall
12 give assurance of expenditure of a reasonable amount
13 of the funds of such State, its local governments, or other
14 agencies for the same or similar purposes with respect
15 to such catastrophe;

16 (2) "United States" means the fifty States, the
17 District of Columbia, Puerto Rico, the Virgin Islands,
18 Guam, American Samoa, and the Trust Territory of the
19 Pacific Islands;

20 (3) "State" means any State in the United States,
21 the District of Columbia, Puerto Rico, the Virgin Is-
22 lands, Guam, American Samoa, and the Trust Territory
23 of the Pacific Islands;

24 (4) "Governor" means the chief executive of any
25 State;

1 (5) "local government" means any county, city,
2 village, town, district, or other political subdivision of
3 any State, and includes any rural community or unin-
4 corporated town or village for which an application for
5 assistance is made by a State or political subdivision
6 thereof;

7 (6) "Federal agency" means any department, in-
8 dependent establishment, Federal corporation, or other
9 agency of the executive branch of the Federal Govern-
10 ment, excepting the American National Red Cross;

11 (7) "Director" means the Director of the Office of
12 Disaster Assistance except where a different meaning is
13 indicated by the context within which it is used; and

14 (8) "Office" means the Office of Disaster Assist-
15 ance.

16 **TITLE II OFFICE OF DISASTER ASSISTANCE**

17 **ESTABLISHMENT**

18 SEC. 201. (a) There is hereby established, within the
19 Office of the President, an Office of Disaster Assistance, for
20 the purpose of administering Federal disaster relief pro-
21 grams, coordinating relief activities of private relief organiza-
22 tions in major disasters, and for other purposes.

23 (b) There shall be in the Office a Director of Disaster
24 Assistance and an Assistant Director of Disaster Assistance
25 (hereafter referred to as the "Assistant Director"), each of

1 whom shall be appointed by the President, and shall serve
2 at his pleasure. The Office shall be under the control and
3 supervision of the Director. The Assistant Director shall per-
4 form such duties as may be assigned to him by the Director,
5 and, during the absence or incapacity of the Director, or
6 during a vacancy in that office, shall act as the Director. The
7 Director shall designate an employee of the Office to act as
8 Director during the absence or incapacity of both the Direc-
9 tor and the Assistant Director, or during a vacancy in both
10 of such offices.

11 (e) Subchapter II of chapter 53 of title 5, United
12 States Code (relating to Executive Schedule pay rates), is
13 amended as follows:

14 (1) Section 5313 is amended by adding at the end
15 thereof the following:

16 “(20) Director, Office of Disaster Assistance.”

17 (2) Section 5314 is amended by adding at the end
18 thereof the following:

19 “(54) Assistant Director, Office of Disaster As-
20 sistance.”

21 (d) There are hereby transferred to the Director all the
22 functions of the Secretary of Defense carried out through the
23 Office of Civil Defense, and the functions, insofar as such
24 functions relate to major disaster relief, of the Director of
25 the Office of Emergency Preparedness.

1 (e) Within one hundred and eighty days after the
2 effective date of this Act, the President may transfer to the
3 Director any function of any other agency or office, or part
4 of any agency or office, in the executive branch of the United
5 States Government if the President determines that such
6 function relates primarily to functions transferred to the
7 Director by the preceding subsection of this section.

8 TRANSFER OF PERSONNEL

9 SEC. 202 (a) All personnel, assets, liabilities, contracts,
10 property, and records as are determined by the Director of
11 the Bureau of the Budget to be employed, held, or used
12 primarily in connection with any function transferred under
13 the provisions of section 201 (d), are transferred to the
14 Director. Except as provided in subsection (b), personnel
15 engaged in functions transferred under this title shall be
16 transferred in accordance with applicable laws and regula-
17 tions relating to transfer of functions.

18 (b) Personnel not under section 5337 of title 5, United
19 States Code, shall be transferred without reduction in classi-
20 fication or compensation for one year after such transfer.

21 (c) In any case where all of the functions carried out
22 through any agency or office are transferred pursuant to
23 this Act, such agency or office shall lapse.

24 AUTHORITY OF THE DIRECTOR

25 SEC. 203. (a) The Director of the Office of Disaster
26 Assistance may, in addition to the authority to delegate and

1 ~~redelegate contained in any other Act in the exercise of~~
2 ~~the functions transferred to him by this Act, delegate any~~
3 ~~of his functions to such officers and employees of the Office~~
4 ~~as he may designate, may authorize such successive redele-~~
5 ~~gations of such functions as he may deem desirable, and may~~
6 ~~make such rules and regulations as may be necessary to carry~~
7 ~~out his functions.~~

8 (b) The Director is authorized to ~~appoint, without~~
9 ~~regard to the provisions of title 5, United States Code,~~
10 ~~governing appointments in the competitive service, such~~
11 ~~advisory committees as may be appropriate for the purpose~~
12 ~~of consultation with and advice to the Office in the perform-~~
13 ~~ance of its functions. Members of such committees, other than~~
14 ~~those regularly employed by the United States Government,~~
15 ~~while attending meetings of such committees or otherwise~~
16 ~~serving at the request of the Director, may be paid compen-~~
17 ~~sation at rates not exceeding those authorized to be paid~~
18 ~~experts and consultants under section 3109 of such title, and~~
19 ~~while so serving away from their homes or regular places~~
20 ~~of business, may be allowed travel expenses, including per~~
21 ~~diem in lieu of subsistence, as authorized by section 5703 of~~
22 ~~such title, for persons in the Government service employed~~
23 ~~intermittently.~~

24 (c) In order to carry out the provisions of this Act,
25 the Director is authorized—

1 (1) to adopt, amend, and repeal rules and regula-
2 tions governing the manner of operations, organization,
3 and personnel of the Office, and the performance of the
4 powers and duties granted to or imposed upon him by
5 law;

6 (2) to appoint and fix the compensation of such
7 officers and employees, and prescribe their functions and
8 duties, as may be necessary to carry out the provisions
9 of this Act;

10 (3) to obtain the services of experts and consultants
11 in accordance with the provisions of section 3109 of title
12 5, United States Code;

13 (4) to acquire by purchase, lease, condemnation,
14 or in any other lawful manner, any real or personal
15 property, tangible or intangible, or any interest therein;
16 to hold, maintain, use, and operate the same; to provide
17 services in connection therewith, and to charge there-
18 for; and to sell, lease, or otherwise dispose of the same
19 at such time, in such manner, and to the extent deemed
20 necessary or appropriate;

21 (5) to construct, operate, lease, and maintain build-
22 ings, facilities, and other improvements as may be
23 necessary;

24 (6) to accept gifts or donations of services, money,
25 or property, real, personal, or mixed, tangible or in-
26 tangible;

1 (7) to enter into contracts or other arrangements
2 or modifications thereof, with any government, any
3 agency or department of the United States, or with
4 any person, firm, association, or corporation, and such
5 contracts or other arrangements, or modifications thereof,
6 may be entered into without legal consideration, without
7 performance or other bonds, and without regard to sec-
8 tion 3709 of the Revised Statutes, as amended (41
9 U.S.C. 5);

10 (8) to make advance, progress, and other pay-
11 ments which the Director deems necessary under this
12 Act without regard to the provisions of section 3648
13 of the Revised Statutes, as amended (31 U.S.C. 529);
14 and

15 (9) to take such other action as may be necessary
16 to carry out the provisions of this Act.

17 REPORTS TO THE CONGRESS

18 SEC. 204. The Director shall, as soon as practicable
19 after the end of each fiscal year, make a report in writing
20 to the President for submission to the Congress on the
21 activities of the Office during the preceding fiscal year.

22 MISCELLANEOUS TRANSFER PROVISIONS

23 SEC. 205. (a) All orders, determinations, rules, regu-
24 lations, permits, contracts, certificates, licenses, and privi-
25 leges—

1 (1) which have been issued, made, granted, or
2 allowed to become effective in the exercise of functions
3 which are transferred under this Act, by (A) any agency
4 or office, or part thereof, any functions of which are
5 transferred by this Act, or (B) any court of competent
6 jurisdiction; and

7 (2) which are in effect at the time this title takes
8 effect;

9 shall continue in effect according to their terms until modi-
10 fied, terminated, superseded, set aside, or repealed by the
11 Director, by any court of competent jurisdiction, or by
12 operation of law.

13 (b) The provisions of this Act shall not affect any
14 proceedings pending at the time this section takes effect
15 before any agency or office, or part thereof, functions of
16 which are transferred by this Act, except that such proceed-
17 ings, to the extent that they relate to functions so trans-
18 ferred, shall be continued before the Office. Such proceed-
19 ings, to the extent they do not relate to functions so
20 transferred, shall be continued before the agency or office,
21 or part thereof, before which they were pending at the time
22 of such transfer. In either case orders shall be issued in
23 such proceedings, appeals shall be taken therefrom, and
24 payments shall be made pursuant to such orders, as if this
25 Act had not been enacted, and orders issued in any such

1 proceedings shall continue in effect until modified, termi-
2 nated, superseded, or repealed by the Director, by a court
3 of competent jurisdiction, or by operation of law.

4 (e) (1) Except as provided in paragraph (2)—

5 (A) the provisions of this title shall not affect
6 suits commenced prior to the date this section takes
7 effect; and

8 (B) in all such suits proceedings shall be had, ap-
9 peals taken, and judgments rendered, in the same
10 manner and effect as if this Act had not been enacted.

11 No suit, action, or other proceeding commenced by or
12 against any officer in his official capacity as an officer of
13 any agency or office, or part thereof, functions of which
14 are transferred by this Act, shall abate by reason of the
15 enactment of this Act. No cause of action by or against
16 any agency or office, or part thereof, functions of which
17 are transferred by this Act, or by or against any officer
18 thereof in his official capacity shall abate by reason of the
19 enactment of this Act. Causes of actions, suits, or other
20 proceedings may be asserted by or against the United States
21 or such official of the office as may be appropriate and,
22 in any litigation pending when this section takes effect, the
23 court may at any time, on its own motion or that of any
24 party, enter an order which will give effect to the provisions
25 of this subsection.

1 (2) If before the date on which this title takes effect,
2 any agency or office, or officer thereof in his official capacity,
3 is a party to a suit, and under this Act—

4 (A) such agency or office, or any part thereof, is
5 transferred to the Director; or

6 (B) any function of such agency, office, or part
7 thereof, or officer is transferred to the Director;

8 then such suit shall be continued by the Director (except in
9 the case of a suit not involving functions transferred to the
10 Director, in which case the suit shall be continued by the
11 agency, office, or part thereof, or officer which was a party
12 to the suit prior to the effective date of this title).

13 (d) With respect to any function transferred by this
14 Act and exercised after the effective date of this title, refer-
15 ence in any other Federal law to any agency, office, or part
16 thereof, or officer so transferred or functions of which are
17 so transferred shall be deemed to mean the office or officer
18 in which such function is vested pursuant to this Act.

19 (e) This Act shall not have the effect of releasing or
20 extinguishing any criminal prosecution, penalty, forfeiture,
21 or liability incurred as a result of any function transferred
22 under this Act.

23 (f) Orders and actions of the Director in the exercise
24 of functions transferred under this Act shall be subject to
25 judicial review to the same extent and in the same manner

1 as if such orders and actions had been by the agency or office,
2 or part thereof, exercising such functions, immediately pre-
3 ceding their transfer. Any statutory requirements relating
4 to notice, hearings, action upon the record, or administra-
5 tive review that apply to any function transferred by this
6 Act shall apply to the exercise of such function by the
7 Director.

8 (g) In the exercise of the functions transferred under
9 this Act, the Director shall have the same authority as that
10 vested in the agency or office, or part thereof, exercising
11 such functions immediately preceding their transfer, and his
12 actions in exercising such functions shall have the same force
13 and effect as when exercised by such agency or office, or part
14 thereof.

15 **EFFECTIVE DATE**

16 SEC. 206. (a) This title, other than this section, shall
17 take effect ninety days after the date of enactment of this
18 Act, or on such prior date after enactment of this Act as
19 the President shall prescribe and publish in the Federal Reg-
20 ister.

21 (b) Notwithstanding subsection (a), any of the officers
22 provided for in subsection (a) or (b) of section 201 may be
23 appointed in the manner provided for in this Act, at any
24 time after the date of enactment of this Act. Such officers
25 shall be compensated from the date they first take office, at

1 the rates provided for in this Act. Such compensation and re-
2 lated expenses of their offices shall be paid from funds avail-
3 able for the functions to be transferred to the Director pur-
4 suant to this Act.

5 ~~TITLE III—THE ADMINISTRATION OF DISASTER~~
6 ~~ASSISTANCE~~

7 ~~PART A—EMERGENCY RELIEF~~

8 ~~FEDERAL COORDINATING OFFICER~~

9 SEC. 301. (a) Immediately upon the President's desig-
10 nation of an area as a major disaster area, the Director
11 shall appoint a coordinating officer to operate in such area.

12 (b) In order to effectuate the purposes of this Act, the
13 coordinating officer shall perform the following functions
14 within the disaster area:

15 (1) make an initial appraisal of the types of relief
16 most urgently needed;

17 (2) deploy any emergency support teams assigned
18 to the area by the Director;

19 (3) establish such field officers as he deems neces-
20 sary and as are authorized by the Director;

21 (4) coordinate the administration of relief, includ-
22 ing activities of the American National Red Cross and
23 such other private relief organizations as may agree to
24 operate under his advice or direction; and

25 (5) take such other action, consistent with authority

1 delegated to him by the Director, and consistent with the
2 provisions of this Act, as he may deem necessary to
3 assist local citizens and public officials in promptly ob-
4 taining assistance to which they are entitled.

~~EMERGENCY SUPPORT TEAMS~~

6 See. 302. The Director is authorized to recruit, train,
7 or otherwise develop emergency support teams of personnel
8 with the capability and responsibility of deploying them-
9 selves in a major disaster area immediately upon the procla-
10 mation of a major disaster. Such teams shall have such equip-
11 ment and supplies as may be necessary to bring immediate,
12 emergency assistance to disaster victims upon deployment.

13 An emergency support team deployed in a disaster area by
14 the Director shall make a preliminary survey of the disaster
15 area and advise the Federal coordinating officer with respect
16 to the types of assistance most urgently needed, and, subject
17 to the direction of such officer, give assistance and relief to
18 the victims of the disaster.

~~EMERGENCY COMMUNICATIONS SYSTEMS~~

20 SEC. 303. The Director is authorized, after consultation
21 with such other Federal agencies, including the Federal
22 Communications Commission and the Federal Aviation
23 Agency, as may be appropriate, to establish an emergency
24 communications system in any major disaster area in order

1 to carry out the functions of his office, and to make such
2 system available to State and local government officials and
3 other persons as he deems appropriate.

4 COOPERATION OF FEDERAL AGENCIES

5 SEC. 304. In any major disaster, Federal agencies are
6 hereby authorized, upon request of the Director, to cooperate
7 with the Director in providing assistance by—

8 (1) utilizing or lending, with or without compen-
9 sation therefor, to States and local governments, their
10 equipment, supplies, facilities, personnel, and other re-
11 sources, other than the extension of credit under the
12 authority of any Act;

13 (2) distributing, through the American National
14 Red Cross, other private relief organizations, or other-
15 wise, medicine, food, and other consumable supplies;

16 (3) donating or lending equipment and supplies,
17 determined in accordance with applicable laws to be
18 surplus to the needs and responsibilities of the Federal
19 Government;

20 (4) performing on public or private lands protec-
21 tive and other work essential for the preservation of life
22 and property, including—

23 (a) clearing debris and wreckage;

24 (b) making repairs to, or replacing, public fa-
25 cilities, belonging to State or local governments,

which were damaged or destroyed by a major disaster;

(e) providing temporary housing or other emergency shelter for families who, as a result of such major disaster, require temporary housing or other emergency shelter; and

(d) making contributions to State or local governments for the purpose of carrying out the provisions of this paragraph.

10 Any funds received by Federal agencies as reimbursement
11 for services or supplies furnished under the authority of this
12 section shall be deposited to the credit of the appropriation
13 or appropriations currently available for such services or
14 supplies. The Federal Government shall not be liable for
15 any claim based upon the exercise or performance or the
16 failure to exercise or perform a discretionary function or duty
17 on the part of a federal agency or an employee of the Gov-
18 ernment in carrying out the provisions of this section.

PART B—RECOVERY ASSISTANCE

~~DEBRIS REMOVAL GRANTS~~

21 SEC. 305. The Director, whenever he determines it to
22 be in the public interest, is authorized to make a grant or
23 grants to any State or local government or agency thereof
24 for the purpose of removing debris deposited on privately

1 owned lands and on or in privately owned waters as a result
2 of a major disaster, and such State or local government or
3 agency is authorized, upon application, to make payments
4 from amounts received in such grants to any person for re-
5 imbursement of expenses actually incurred by such person
6 in the removal of such debris, but not to exceed the amount
7 that such expenses exceed the salvage value of such debris.

8 **TEMPORARY HOUSING**

9 SEC. 306. (a) The Director is authorized to provide on
10 a temporary basis, as prescribed in this section, dwelling
11 accommodations for individuals and families displaced by a
12 major disaster.

13 (b) The Director is authorized to provide such accom-
14 modations by (1) using any unoccupied housing owned
15 by the United States under any program of the Federal Gov-
16 ernment, (2) arranging with a local public housing agency
17 for using unoccupied public housing units, or (3) acquiring
18 existing dwellings or mobile homes or other readily fabricated
19 dwellings, by purchase or lease, to be placed on sites fur-
20 nished by the State or local government or by the owner-
21 occupant displaced by the major disaster, with no site charge
22 being made. Rentals shall be established for such accom-
23 modations, under such rules and regulations as the Director
24 may prescribe, taking into account the financial ability of
25 the occupant. In case of financial hardship, rentals may be

1 compromised, adjusted, or waived for a period not to exceed
2 twelve months, but in no case shall any such individual or
3 family be required to incur a monthly housing expense (in-
4 cluding any fixed expense relating to the amortization of
5 debt owing on a house destroyed or damaged in a major
6 disaster) which is in excess of 25 per centum of the monthly
7 income of the occupant or occupants.

EMERGENCY PUBLIC TRANSPORTATION

9 SEC. 307. The Director is authorized to provide an emer-
10 gency public transportation service in a major disaster area.
11 Such service will provide transportation to governmental
12 offices, supply centers, stores, post offices, major employ-
13 ment centers, and such other places as may be necessary in
14 order to enable the community to resume its normal pattern
15 of life as soon as possible. Such service shall be provided
16 only until regular public transportation is restored or pro-
17 vided on a regular basis, and shall not in any case be provided
18 for more than one year after the date of the major disaster
19 proclamation.

SMALL BUSINESS DISASTER LOANS

21 SEC. 308. (a) In the administration of the disaster loan
22 program under section 7(b)(1) of the Small Business Act,
23 as amended (15 U.S.C. 636(b)), in the case of property
24 loss or damage resulting from a major disaster the Small
25 Business Administration—

1 (1) to the extent such loss or damage is not com-
2 plemented for by insurance or otherwise, (A) shall at the
3 borrower's option on that part of any loan in excess of
4 \$500 cancel (i) the interest due on the loan, or (ii) the
5 principal of the loan, or (iii) any combination of such
6 interest or principal except that the total amount so can-
7 celled shall not exceed 50 per centum of the amount of
8 such loss or damage, or \$5,000, whichever is less, and
9 (B) may defer interest payments or principal payments,
10 or both, in whole or in part, on such loan during the first
11 three years of the term of the loan without regard to
12 the ability of the borrower to make such payments;

13 (2) may grant any loan for the repair, rehabilita-
14 tion, or replacement of property damaged or destroyed,
15 without regard to whether the required financial assist-
16 ance is otherwise available from private sources; and

17 (3) may in the case of the total destruction or sub-
18 stantial property damage of a home or business concern
19 refinance any mortgage or other liens outstanding against
20 the destroyed or damaged property if such financing is
21 for the repair, rehabilitation, or replacement of property
22 damaged or destroyed as a result of such disaster and
23 any such refinancing shall be subject to the provisions
24 of clauses (1) and (2) of this section.

1 (b) Section 7 (b) (2) (A) of the Small Business Act
2 (15 U.S.C. 636 (b) (2) (A)) is amended to read as follows:

3 “(A) a major disaster, as determined by the Presi-
4 dent under the Omnibus Disaster Assistance Act, or”.

5 (e) Section 7 (f) of the Small Business Act (15 U.S.C.
6 636 (f)) is amended by striking out “Section 2 (a) of the
7 Act of September 30, 1950 (42 U.S.C. 1855a (a))” and
8 inserting in lieu thereof “Section 102 (1) of the Omnibus
9 Disaster Assistance Act”.

10 ~~FARMERS HOME ADMINISTRATION EMERGENCY LOANS~~

11 SEC. 309. In the administration of the emergency loan
12 program under subtitle C of the Consolidated Farmers Home
13 Administration Act of 1961, as amended (7 U.S.C. 1961-
14 1967), in the case of property loss or damage resulting
15 from a major disaster the Secretary of Agriculture—

16 (1) to the extent such loss or damage is not com-
17 pensated for by insurance or otherwise, (A) shall at
18 the borrower's option on that part of any loan in
19 excess of \$500 cancel (i) the interest due on the loan,
20 or (ii) the principal of the loan, or (iii) any combination
21 of such interest or principal except that the total amount
22 so cancelled shall not exceed 50 per centum of the
23 amount of such loss or damage, or \$5,000, whichever is
24 less, and (B) may defer interest payments or principal

1 payments, or both, in whole or in part, on such loan
2 during the first three years of the term of the loan with-
3 out regard to the ability of the borrower to make such
4 payments;

5 (2) may grant any loan for the repair, rehabilita-
6 tion, or replacement of property damaged or destroyed,
7 without regard to whether the required financial assist-
8 ance is otherwise available from private sources; and

9 (3) may in the case of the total destruction or
10 substantial property damage of a home or business con-
11 cern refinance any mortgage or other liens outstanding
12 against the destroyed or damaged property if such
13 financing is for the repair, rehabilitation, or replace-
14 ment of property damaged or destroyed as a result of
15 such disaster and any such refinancing shall be subject
16 to the provisions of clauses (1) and (2) of this section.

17 ~~LOANS HELD BY THE VETERANS' ADMINISTRATION~~

18 SEC. 310. Section 1820 (f) of title 38, United States
19 Code, is amended to read as follows:

20 “(f) (1) The Administrator is authorized to refinance
21 any loan made or acquired by the Veterans' Administration
22 when he finds such refinancing necessary because of the loss
23 of or destruction or damage to, property securing such loan
24 as the result of a major disaster as determined by the Presi-
25 dent pursuant to the Omnibus Disaster Assistance Act.

1 “(2) The interest rate on any loan refinanced under this
2 subsection may be reduced to a rate equal to the average
3 annual interest rate on all interest bearing obligations of the
4 United States having maturities of twenty years or more
5 and forming a part of the public debt as computed at the
6 end of the fiscal year next preceding the date of the loan,
7 adjusted to the nearest one-eighth of 1 per centum, and
8 the term thereof may be extended for such period as will
9 provide a maturity of not to exceed forty years, except that
10 the Administrator may authorize a suspension in the pay-
11 ment of principal and interest charges on, and an additional
12 extension in the maturity of, any such loan for a period
13 not to exceed five years if he determines that such action is
14 necessary to avoid severe financial hardship.

15 “(3) To the extent such loss or damage is not com-
16 pensated for by insurance or otherwise, the Administrator
17 shall, at the borrower's option on that part of any loan in
18 excess of \$500, cancel (A) the interest due on the loan,
19 or (B) the principal of the loan, or (C) any combination
20 of such interest or principal except that the total amount
21 so canceled shall not exceed 50 per centum of the amount
22 of such loss or damage, or \$5,000, whichever is less.”

23 DISASTER LOAN INTEREST RATES

24 SEQ. 311. Notwithstanding any other provision of law,
25 any loan made under the authority of a disaster loan pro-

1 gram administered by any federal agency, for the purpose
2 of reconstruction, repair, or replacement of a structure
3 damaged or destroyed as the result of a major disaster,
4 or for the purpose of refinancing existing loans, mortgages,
5 or liens on a structure so damaged or destroyed, shall bear
6 interest at a rate not less than the average annual interest
7 rate on all interest-bearing obligations of the United States
8 having maturities of twenty years or more and forming a
9 part of the public debt as computed at the end of the fiscal
10 year next preceding the date of the loan, adjusted to the
11 nearest one-eighth of 1 per centum.

12 ~~AGE OF APPLICANT FOR LOANS TO REBUILD HOMES~~

13 SEC. 312. In the administration of any Federal disaster
14 loan program in which a loan is requested for the purpose
15 of reconstructing, repairing, or replacing any residential
16 structure damaged or destroyed as the result of a major dis-
17 aster, or for the purpose of refinancing an existing obligation
18 on any such structure so damaged or destroyed, the age of
19 any adult loan applicant shall not be considered in deter-
20 mining whether such loan should be made or the amount
21 of such loan.

22 ~~BUILDING STANDARDS FOR HOMES REBUILT~~

23 SEC. 313. (a) Any residential structure built with the
24 aid of a loan granted by a Federal agency as the result of
25 a major disaster shall be built in accordance with such mini-

1 minimum standards of safety, decency, and sanitation as the Sec-
2 retary of Housing and Urban Development may prescribe
3 by regulation for such purpose, and in accordance with
4 applicable building codes.

5 (b) In order to carry out the provisions of this section,
6 the Secretary of Housing and Urban Development is
7 authorized—

8 (1) to consult with such other officials in the Fed-
9 eral, State, and local governments as he deems neces-
10 sary, in order that regulations prescribed under this sec-
11 tion shall—

12 (A) carry out the purpose of this section,
13 and—

14 (B) have the necessary flexibility to be con-
15 sistent with requirements of other building regula-
16 tions, codes, and program requirements applicable;
17 and—

18 (2) to promulgate such regulations as may be
19 necessary.

AID TO MAJOR SOURCES OF EMPLOYMENT

20 SEC. 314. (a) The Director is authorized to provide
21 any industrial, commercial, agricultural, or other enter-
22 prises, which have constituted the major sources of employ-
23 ment in an area suffering a major disaster, and which are

1 no longer in operation as a result of such disaster, such assist-
2 ance by means of grants, loans, or a combination thereof, as
3 may be necessary to enable such enterprises to resume opera-
4 tions in order to restore the economic viability of the disaster
5 area.

6 (b) Assistance under this section shall be in addition
7 to any other Federal disaster assistance provided, however,
8 such other assistance may be adjusted or modified to the
9 extent deemed appropriate by the Director under the au-
10 thority of section 329 of this Act. Any loans made under
11 this section shall be subject to the interest requirements of
12 section 311 of this Act, but the Director, if he deems it neces-
13 sary, may defer initial payments of principal and interest for
14 a period not to exceed three years.

15 **FOOD COUPONS AND DISTRIBUTION**

16 SEC. 315. (a) Whenever, as the result of a major dis-
17 aster, the Director determines that low-income households are
18 unable to purchase adequate amounts of nutritious food, he
19 is authorized, under such terms and conditions as he may
20 prescribe, to distribute through the Secretary of Agriculture
21 coupon allotments to such households pursuant to provisions
22 of the Food Stamp Act of 1964 and to make surplus com-
23 modities available pursuant to the provisions of section 304
24 of this Act.

1 (b) The Director is authorized to continue through the
2 Secretary of Agriculture to make such coupon allotments
3 and surplus commodities available to such households for so
4 long as he determines necessary, taking into consideration
5 such factors as he deems appropriate, including the conse-
6 quences of the major disaster on the earning power of the
7 households to which assistance is made available under this
8 section.

9 (e) Nothing in this section shall be construed as amend-
10 ing or otherwise changing the provisions of the Food Stamp
11 Act of 1964 except as it relates to the availability of food
12 stamps in a major disaster area.

13 UNEMPLOYMENT ASSISTANCE

14 SEC. 316. The Director is authorized to provide to any
15 individual unemployed as a result of a major disaster, such
16 assistance as he deems appropriate while such individual is
17 unemployed. Such assistance as the Director shall provide
18 shall not exceed the maximum amount and the maximum
19 duration of payments under the unemployment compensation
20 program of the State in which the disaster occurred and the
21 amount of assistance under this section to any such individual
22 shall be reduced by any amount of unemployment compen-
23 sation or of private income protection insurance available to
24 such individual for such period of unemployment.

1 RESTORATION OF FEDERAL FACILITIES

2 SEC. 317. The President is authorized upon a determina-
3 tion by him that such repair, reconstruction, or restoration is
4 of such importance and urgency that it cannot reasonably be
5 deferred pending the enactment of specific authorizing legis-
6 lation or the making of an appropriation, to authorize any
7 Federal agency to repair, reconstruct, or restore facilities
8 owned by the United States, under the jurisdiction of such
9 agency, which are damaged or destroyed in any major
10 disaster. In order to carry out the provisions of this section,
11 such repair, reconstruction, or restoration may be begun not
12 notwithstanding a lack or an insufficiency of funds appropriated
13 for such purpose, where such lack or insufficiency can be
14 remedied by the transfer, in accordance with law, of funds
15 appropriated for another purpose.

16 REPAIR OF HIGHWAYS NOT PART OF FEDERAL-AID SYSTEM

17 SEC. 318. The Director is authorized to make a grant to
18 any States affected by a major disaster for the permanent
19 repair and reconstruction of those permanent street, road, and
20 highway facilities not on any of the Federal-aid systems
21 which were destroyed or damaged as a result of such a major
22 disaster. No funds shall be allocated under this section for
23 repair or reconstruction of such a street, road, or highway
24 facility unless the affected State agrees to pay not less than
25 50 per centum of all costs of such repair or reconstruction.

1 REPAIR OF CERTAIN STATE AND LOCAL GOVERNMENT

2 FACILITIES

3 SEC. 319. The Director is authorized to make a grant of
4 such sums as may be necessary to pay not more than 50 per
5 centum of eligible costs incurred to repair, restore, or recon-
6 struct any project of a State, county, municipal, or other
7 local government agency for flood control, navigation, irriga-
8 tion, reclamation, public power, sewage treatment, water
9 treatment, watershed development, or airport construction
10 which was damaged or destroyed as a result of a major
11 disaster, and of the resulting additional eligible costs incurred
12 to complete any such facility which was in the process of
13 construction when damaged or destroyed as a result of such
14 major disaster. Eligible costs are those costs determined by
15 the Director as incurred or to be incurred in (1) restoring
16 a public facility to substantially the same condition as existed
17 prior to the damage resulting from the major disaster, and
18 (2) completing construction not performed prior to the
19 major disaster to the extent the increase of such costs over
20 original construction costs is attributable to changed con-
21 ditions resulting from the major disaster. Payment under this
22 section shall be made to the State, or local governmental
23 agency which is constructing the public facility or for which
24 it is being constructed, except that if the economic burden
25 of the eligible costs of repair, restoration, reconstruction, or

1 completion is incurred by an individual, partnership, cor-
2 poration, agency, or other private entity (other than an
3 organization engaged in the business of insurance), the State
4 or local governmental agency shall pay such individual,
5 partnership, corporation, agency, or other private entity not
6 to exceed 50 per centum of those costs. Eligible costs shall
7 not include any costs for which payment is received pur-
8 suant to insurance contracts or otherwise by the party in-
9 curring the economic burden of such costs.

10 COMMUNITY DISASTER LOAN FUND

11 SEC. 320. (a) There is established within the Treasury
12 a Community Disaster Loan Fund from which the Director
13 may authorize loans to local governments for the purposes of
14 meeting payments of principal and interest on outstanding
15 bonded indebtedness and for providing the local share of any
16 Federal grant-in-aid program which is necessary to the res-
17 tortation of the area as the result of a major disaster. Such
18 loans shall be made only where the borrowing local govern-
19 ment has suffered a loss of more than 25 per centum of its tax
20 base and is otherwise unable to meet such payments or local
21 share obligations.

22 (b) Loans from the fund established by this section
23 shall be made for such periods as may be necessary, not to
24 exceed twenty years, at an interest rate equivalent to the
25 average annual interest rate on all outstanding interest

1 bearing obligations of the United States which have a
2 maturity of twenty years or more, computed at the end of
3 the fiscal year next preceding the date of the loan, adjusted
4 to the nearest one-eighth of 1 per centum. The Director may
5 waive initial payments of interest and principal on such a
6 loan for a period not to exceed five years or half the term of
7 the loan, whichever is less.

8 (e) There is hereby authorized to be appropriated such
9 sums, not to exceed \$100,000,000, as may be necessary to
10 carry out the provisions of this section.

~~USE OF LOCAL FIRMS AND INDIVIDUALS~~

12 SEC. 321. In the expenditure of Federal funds for debris
13 clearance, distribution of supplies, reconstruction, and other
14 major disaster assistance activities which may be carried out
15 by contract with private organizations, firms, or individuals,
16 preference shall be given first to those persons who reside or
17 do business primarily in the disaster area, and second to those
18 persons residing or doing business primarily in the State in
19 which the disaster area is located.

~~FEDERAL GRANT IN AID PROGRAMS~~

21 SEC. 322. In the administration of Federal grant in aid
22 programs, any agency charged with the administration of
23 such a program is authorized to modify or waive, for the
24 duration of a major disaster proclamation, such conditions

1 for assistancee, including matching funds, as would other-
2 wise prevent the giving of assistance under such programs
3 if the inability to meet such conditions is a result of the
4 disaster.

5 PRIORITY TO CERTAIN APPLICATIONS FOR PUBLIC FACILITY
6 AND PUBLIC HOUSING ASSISTANCE

7 SEC. 323. In the processing of applications for assist-
8 anee-

9 (1) under title II of the Housing Amendments of
10 1955, or any other Act providing assistance for the re-
11 pair, construction, or extension of public facilities;

12 (2) under the United States Housing Act of 1937
13 for the provision of low-rent housing;

14 (3) under section 702 of the Housing Act of 1954
15 for assistance in public works planning;

16 (4) under section 702 of the Housing and Urban
17 Development Act of 1965 providing for grants for public
18 facilities; or

19 (5) under section 306 of the Consolidated Farmers
20 Home Administration Act

21 priority and immediate consideration shall be given, during
22 such period as the President shall by proclamation prescribe,
23 to applications from public bodies situated in major disaster
24 areas.

1 FEDERAL LOAN ADJUSTMENTS

2 SEE. 324. (a) Where such action is found to be neces-
3 sary because of impairment of the economic feasibility of the
4 system, or loss, destruction, or damage of the property of
5 borrowers under programs administered by the Rural Elec-
6 trification Administration, resulting from a major disaster,
7 the Secretary of Agriculture is authorized to adjust and to
8 readjust the schedules for payment of principal and interest
9 on loans to such borrowers, and to extend the maturity dates
10 of such loans to a period not beyond forty years from the
11 dates of such loans. The authority herein conferred is in
12 addition to the loan extension authority provided in section
13 12 of the Rural Electrification Act.

14 (b) The Secretary of Housing and Urban Development
15 is authorized to refinance any note or other obligation which
16 is held by him in connection with any loan made by the
17 Department of Housing and Urban Development or its pred-
18 ecessor in interest, or which is included within the revolv-
19 ing fund for liquidating programs established by the Inde-
20 pendent Offices Appropriation Act of 1955, where he finds
21 such refinancing necessary because of the loss, destruction,
22 or damage to property or facilities securing such obligations
23 as a result of a major disaster. The interest rate on any

1 note or other obligation refinanced under this subsection may
2 be reduced to a rate not less than a rate equal to the average
3 annual interest rate on all interest bearing obligations of
4 the United States having maturities of twenty years or more
5 and forming a part of the public debt as computed at the
6 end of the fiscal year next preceding the date of refinancing,
7 adjusted to the nearest one-eighth of 1 per centum, and the
8 term thereof may be extended for such period as will pro-
9 vide a maturity of not to exceed forty years from the date
10 of the loan. The Secretary may authorize a suspension in the
11 payment of principal and interest charges on, and an addi-
12 tional extension in the maturity of, any such loan for a
13 period not to exceed five years if he determines that such
14 action is necessary to avoid severe financial hardship.

15 **TIMBER SALE CONTRACTS**

16 SEC. 325. (a) Where an existing timber sale contract
17 between the Secretary of Agriculture or the Secretary of
18 the Interior and a timber purchaser does not provide relief
19 from major physical change not due to negligence of the
20 purchaser prior to approval of construction of any section of
21 specified road or other specified development facility and, as
22 a result of a major disaster a major physical change results
23 in additional construction work in connection with such road
24 or facility by such purchaser with an estimated cost as deter-
25 mined by the appropriate Secretary (1) of more than \$1,000

1 for sales under one million board feet, or (2) of more than
2 \$1 per thousand board feet for sales of one to three million
3 board feet, or (3) of more than \$3,000 for sales over three
4 million board feet, such increased construction cost shall
5 be borne by the United States.

6 (b) Where the Secretary determines that damages are
7 so great that restoration, reconstruction, or construction is
8 not practical under the cost-sharing arrangement authorized
9 by subsection (a) of this section, the Secretary may allow
10 cancellation of the contract notwithstanding provisions there-
11 in.

12 (c) The Secretary of Agriculture is authorized to re-
13 duce to seven days the minimum period of advance public
14 notice required by the first section of the Act of June 4, 1897
15 (16 U.S.C. 476), in connection with the sale of timber from
16 national forests, whenever the Secretary determines that (1)
17 the sale of such timber will assist in the construction of any
18 area of a State damaged by a major disaster, (2) the sale
19 of such timber will assist in sustaining the economy of
20 such area, or (3) the sale of such timber is necessary to sal-
21 vage the value of timber damaged in such major disaster or
22 to protect undamaged timber.

23 (d) The Director is authorized to make grants to any
24 State or political subdivision thereof for the purpose of re-
25 moving from privately owned lands timber damaged as a

1 result of a major disaster, and such State or political sub-
2 division is authorized, upon application, to make payments
3 out of such grants to any person for reimbursement of ex-
4 penses actually incurred by such person in the removal of
5 damaged timber, but not to exceed the amount that such
6 expenses exceed the salvage value of such timber.

7 PUBLIC LAND ENTRYMEN

8 SEC. 326. The Secretary of the Interior is authorized to
9 give any public land entryman such additional time in which
10 to comply with any requirement of law in connection with
11 any public land entry for lands affected by a major disaster
12 as the Secretary finds appropriate because of interference with
13 the entryman's ability to comply with such requirement as a
14 result of such major disaster.

15 PART C GENERAL PROVISIONS

16 STATE DISASTER PLANS

17 SEC. 327. (a) The Director is authorized to provide
18 assistance to the States in developing comprehensive plans
19 and practicable programs for preparation against major dis-
20 asters, and for relief and assistance for individuals, businesses,
21 and local governments following such disasters. Such plans
22 should include long range recovery and reconstruction assist-
23 ance plans for seriously damaged or destroyed public and
24 private facilities.

25 (b) The Director is authorized to make grants of not

1 more than \$250,000 to any State, upon application therefor,
2 for not to exceed 50 per centum of the cost of developing
3 such plans and programs.

4 (c) Any State desiring assistance under this section
5 shall designate or create an agency which is specially quali-
6 fied to plan and administer such a disaster relief program,
7 and shall, through such agency, submit a State plan to the
8 Director not later than December 31, 1971, which shall

9 (1) set forth a comprehensive and detailed State
10 program for preparation against and relief following a
11 major disaster, including provisions for emergency and
12 long-term assistance to individuals, businesses, and local
13 governments, and

14 (2) include provision for the appointment of a State
15 coordinating officer to act in cooperation with the Fed-
16 eral coordinating officer appointed under section 301 of
17 this Act.

18 (d) As soon as practicable after December 31, 1971,
19 the Director shall make a report to the President, for sub-
20 mission to the Congress, containing his recommendations
21 for programs for the Federal role in the implementation and
22 funding of comprehensive disaster relief plans, and such
23 other recommendations relating to the Federal role in dis-
24 aster relief activities as he deems warranted.

1 USE AND COORDINATION OF PRIVATE RELIEF
2 ORGANIZATIONS

3 SEC. 328. (a) In providing relief and assistance follow-
4 ing a major disaster, the Director may utilize, with their
5 consent, the personnel and facilities of the American Na-
6 tional Red Cross, the Salvation Army, the Mennonite Board
7 of Missions and Charities, and other private relief organiza-
8 tions, in the distribution of medicine, food, supplies, or other
9 items, whenever the Director finds that distribution through
10 such organizations is necessary.

11 (b) The Director is authorized to enter into agreements
12 with the American National Red Cross and other private
13 relief organizations under which the disaster relief activities
14 of such organizations may be coordinated by the Federal
15 coordinating officer whenever such organizations are engaged
16 in providing relief during and after a major disaster. Any
17 such agreement shall include provisions conditioning use of
18 the facilities of the Office and the services of the coordinating
19 officer upon compliance with regulations promulgated by the
20 Director under section 330 of this Act, and such other regu-
21 lations as the Director may require.

22 DUPLICATION OF BENEFITS

23 SEC. 329. (a) The Director, in consultation with the
24 head of each department or agency of the Federal Govern-
25 ment administering any program providing financial assist-

1 ancee to persons, business concerns, or other entities suffering
2 losses as the result of a major disaster, shall assure that no
3 such person, business concern, or other entity will receive
4 such assistance with respect to any part of such loss as to
5 which he has received financial assistance under any other
6 program.

7 (b) The Director shall assure that no person, business
8 concern, or other entity receives any Federal assistance for
9 any part of a loss suffered as the result of a major disaster if
10 such person, concern, or entity received compensation from
11 insurance or any other source for that part of such a loss.
12 Partial compensation for a loss or a part of a loss resulting
13 from a major disaster shall not preclude additional Federal
14 assistance for any part of such a loss not compensated other-
15 wise.

16 (c) Whenever the Director determines that (1) a
17 person, business concern, or other entity has received as-
18 sistance under this Act for a loss and that such person, busi-
19 ness concern or other entity received assistance for the same
20 loss from another source; and (2) that the amount received
21 from all sources exceeded the amount of the loss, he shall
22 direct such person, business concern, or other entity to pay
23 to the Treasury an amount, not to exceed the amount of
24 Federal assistance received, sufficient to reimburse the Fed-

1 eral Government for that part of the assistance which he
2 deems excessive.

3 **NONDISCRIMINATION IN DISASTER ASSISTANCE**

4 SEC. 330. (a) The Director shall make, alter and amend
5 such regulations as may be necessary for the guidance of
6 personnel carrying out emergency relief functions at the
7 site of a major disaster. Such regulations shall include pro-
8 visions for insuring that the distribution of supplies, the
9 processing of applications, and other relief and assistance
10 activities shall be accomplished in an equitable and impartial
11 manner, without discrimination on the grounds of race, color,
12 religion, nationality, sex, age, or economic status prior to
13 a major disaster.

14 (b) As a condition of participation in the distribution
15 of assistance or supplies under section 328, private relief
16 organizations shall be required to agree to comply with
17 Office regulations relating to nondiscrimination promulgated
18 by the Director, and such other regulations applicable to
19 activities within a major disaster area as he deems necessary
20 for the effective coordination of relief efforts.

21 **EMERGENCY SUPPLY DEPOTS**

22 SEC. 331. The Director is authorized to establish such
23 emergency supply depots as he deems necessary for the

1 accumulation of essential disaster relief equipment and
2 supplies.

3 **ADVISORY PERSONNEL**

4 ~~SEC. 332. The Director is authorized to assign advisory~~
5 personnel to the chief executive officer of any State or local
6 government within a major disaster area, upon request by
7 such officer, whenever the Director determines that such
8 assignment is desirable in order to insure full utilization
9 of relief and assistance resources and programs.

10 **FIRE SUPPRESSION GRANTS**

11 ~~SEC. 333. The Director is authorized to make grants~~
12 ~~and loans to any State to assist in the suppression of any fire~~
13 ~~on publicly or privately owned forest or grasslands which~~
14 ~~threatens such destruction as would constitute a major~~
15 ~~disaster.~~

16 **DISASTER WARNINGS**

17 ~~SEC. 334. The Director is authorized to utilize or~~
18 ~~to make available to other agencies the facilities of the~~
19 ~~civil defense communications system established and main-~~
20 ~~tained pursuant to section 201 (e) of the Federal Civil De-~~
21 ~~fense Act of 1950, as amended (50 U.S.C. App. 2281(e)),~~
22 ~~for the purpose of providing needed warning to governmental~~

1 authorities and the civilian population in areas endangered
2 by imminent natural disasters.

3 **TITLE IV—THE NATIONAL MAJOR DISASTER
4 INSURANCE PROGRAM**

5 **BASIC AUTHORITY**

6 SEC. 401. (a) The Secretary of Housing and Urban
7 Development (hereafter in this title referred to as the
8 "Secretary") is authorized to establish and carry out a
9 national major disaster insurance program which will enable
10 interested persons to purchase insurance against loss result-
11 ing from physical damage to or loss of real property or
12 personal property related thereto arising from any major
13 disaster occurring in the United States.

14 (b) In carrying out the major disaster insurance pro-
15 gram the Secretary shall, to the maximum extent prac-
16 ticable, encourage and arrange for

17 (1) appropriate financial participation and risk-
18 sharing in the program by insurance companies or other
19 insurers, and

20 (2) other appropriate participation on other than
21 a risk-sharing basis by insurance companies or other
22 insurers, insurance agents and brokers, and insurance
23 adjustment organizations.

24 **SCOPE OF PROGRAM AND PRIORITIES**

25 SEE. 402. (a) In carrying out the major disaster insur-

1 -ance program the Secretary shall afford a priority to making
2 major disaster insurance available to cover residential prop-
3 erties which are designed for the occupancy of from one to
4 four families.

5 (b) If on the basis of

6 (1) studies and investigations undertaken and car-
7 ried out and information received or exchanged under
8 section 404, and

9 (2) such other information may be necessary,

10 the Secretary determines that it would be feasible to extend
11 the major disaster insurance program to cover other proper-
12 ties, he may take such action under this title as from time
13 to time may be necessary in order to make major disaster
14 insurance available to cover, on such basis as may be feasible,
15 any types and classes of

16 (A) other residential properties,

17 (B) business properties,

18 (C) agricultural properties,

19 (D) properties occupied by private nonprofit or-
20 ganizations, and

21 (E) properties owned by State and local govern-
22 ments and agencies thereof,

23 and any such extensions of the program to any types and
24 classes of these properties shall from time to time be pro-
25 scribed in regulations.

1 ~~NATURE AND LIMITATION OF INSURANCE COVERAGE~~

2 ~~SEC. 403.~~ (a) The Secretary from time to time shall,
3 after consultation with the Director and appropriate repre-
4 sentatives of the insurance authorities of the respective States,
5 provide by regulation for general terms and conditions of in-
6 surability which shall be applicable to properties eligible
7 for major disaster insurance coverage under section 402, in-
8 eluding—

9 ~~(1) the types, classes, and locations of any such~~
10 ~~properties which shall be eligible for major disaster in-~~
11 ~~surance;~~

12 ~~(2) the nature of and limits of loss or damage in any~~
13 ~~areas (or subdivisions thereof) which may be covered~~
14 ~~by such insurance;~~

15 ~~(3) the classification, limitation, and rejection of~~
16 ~~any risks which may be advisable;~~

17 ~~(4) appropriate minimum premiums;~~

18 ~~(5) appropriate loss deductibles; and~~

19 ~~(6) any other terms and conditions relating to~~
20 ~~insurance coverage or exclusion which may be necessary~~
21 ~~to carry out the provisions of this title.~~

22 ~~(b) In addition to any other terms and conditions under~~
23 ~~subsection (a), such regulations shall provide that—~~

24 ~~(1) any major disaster insurance coverage based~~

1 on chargeable premium rates (under section 405) which
2 are less than estimated premium rates (under section
3 404(a)(1)), shall not exceed—

4 (A) in the case of residential properties which
5 are designed for the occupancy of from one to four
6 families;

7 (i) \$15,000 aggregate liability for any
8 dwelling unit, and \$30,000 for any single dwell-
9 ing structure containing more than one dwelling
10 unit, and

11 (ii) \$5,000 aggregate liability per dwell-
12 ing unit for any contents related thereto; and

13 (B) in the case of any other properties which
14 may become eligible for major disaster insurance
15 coverage under section 402, \$30,000 aggregate
16 liability for any single structure; and

17 (2) any major disaster insurance coverage which may
18 be made available in excess of any of the limits specified
19 in subparagraphs (A) and (B) shall be based only on
20 chargeable premium rates (under section 405) which
21 are not less than estimated premium rates (under
22 section 404(a)(1)), and the amount of such excess
23 coverage shall not in any case exceed an amount which
24 is equal to any such limit so specified.

1 ESTIMATES OF PREMIUM RATES

2 SEC. 404. (a) The Secretary is authorized to under-
3 take and carry out such studies and investigations, and to
4 receive or exchange such information as may be necessary,
5 to estimate on an area, subdivision, or other appropriate
6 basis—

7 (1) the risk premium rates for major disaster
8 insurance which

9 (A) based on consideration of the risk involved
10 and accepted actuarial principles, and

11 (B) including

12 (i) applicable operating costs and allow-
13 ances prescribed under section 408 to be re-
14 flected in such rates, and

15 (ii) any administrative expenses (or por-
16 tion of such expenses) of carrying out the major
17 disaster insurance program which, in his discre-
18 tion, should properly be reflected in such rates,
19 would be required in order to make such insurance avail-
20 able on an actuarial basis for any types and classes of
21 properties for which insurance coverage shall be avail-
22 able under section 402; and

23 (2) the rates, if less than the rates estimated under
24 paragraph (1), which would be reasonable, would en-
25 courage prospective insureds to purchase major disaster

1 insurance, and would be consistent with the purposes of
2 this title.

3 (b) In carrying out subsection (a), the Secretary shall,
4 to the maximum extent feasible and on a reimbursement
5 basis, utilize the services of the Department of the Army,
6 the Department of the Interior, the Department of Agricul-
7 ture, the Department of Commerce, and the Tennessee Val-
8 ley Authority, and, as appropriate, other federal departments
9 or agencies, and for such purposes, may enter into agree-
10 ments or other appropriate arrangements with any persons.

11 ESTABLISHMENT OF CHARGEABLE PREMIUM RATES

12 SEC. 405. (a) On the basis of estimates made under
13 section 404 and such other information as may be necessary,
14 the Secretary from time to time shall, after consultation with
15 the Director and appropriate representatives of the insurance
16 authorities of the respective States, by regulation prescribe

17 (1) chargeable premium rates for any types and
18 classes of properties for which insurance coverage shall
19 be available under section 402 (at less than the esti-
20 mated risk premium rates under section 401(a)(1), if
21 necessary), and

22 (2) the terms and conditions under which and
23 areas (including subdivisions thereof) within which such
24 rates shall apply.

- 1 (b) Such rates shall, insofar as practicable, be—
2 (1) based on a consideration of the respective risks
3 involved,
4 (2) adequate, on the basis of accepted actuarial
5 principles, to provide reserves for anticipated losses, or, if
6 less than such amount, consistent with the objective of
7 making major disaster insurance available, where neces-
8 sary, at reasonable rates so as to encourage prospective in-
9 sureds to purchase such insurance, and
10 (3) stated so as to reflect the basis for such rates,
11 including the differences (if any) between the estimated
12 risk premium rates under paragraph (1) of section
13 404 (a), and the estimated rates under paragraph (2)
14 of such section.
- 15 (e) Any chargeable premium rate prescribed under this
16 section is—
17 (1) at a rate which is not less than the estimated
18 risk premium rate under section 404 (a) (1), and
19 (2) such rate includes any amount for administra-
20 tive expenses of carrying out the major disaster insur-
21 ance programs which have been estimated under clause
22 (ii) of section 404 (a) (1) (B),
23 a sum equal to such amount shall be paid to the Secretary,
24 and he shall deposit such sum in the fund authorized under
25 section 407.

1 TREASURY BORROWING AUTHORITY

2 SEC. 406. (a) The Secretary is authorized to issue to
3 the Secretary of the Treasury from time to time and have
4 outstanding at any one time, in an amount not exceeding
5 \$500,000,000 (or such greater amount as may be approved
6 by the President), notes or other obligations in such forms
7 and denominations, bearing such maturities, and subject to
8 such terms and conditions as may be prescribed by the
9 Administrator, with the approval of the Secretary of the
10 Treasury. Such notes or other obligations shall bear interest
11 at a rate determined by the Secretary of the Treasury,
12 taking into consideration the current average market yield
13 on the outstanding marketable obligations of the United
14 States of comparable maturities during the month preceding
15 the issuance of such notes or other obligations. The Secretary
16 of the Treasury is authorized and directed to purchase any
17 notes and other obligations to be issued under this subsection,
18 and for such purpose he is authorized to use as a public
19 debt transaction the proceeds from the sale of any securities
20 issued under the Second Liberty Bond Act, as amended,
21 and the purposes for which securities may be issued under
22 such Act, as amended, are extended to include any pur-
23 chases of such notes and obligations.

24 The Secretary of the Treasury may at any time sell
25 any of the notes or other obligations acquired by him under

1 this section. All redemptions, purchases, and sales by the
2 Secretary of the Treasury of such notes or other obligations
3 shall be treated as public debt transactions of the United
4 States.

5 (b) Any funds borrowed by the Secretary under this
6 authority shall, from time to time, be deposited in the
7 National Major Disaster Insurance Fund established under
8 section 407.

9 **NATIONAL MAJOR DISASTER INSURANCE FUND**

10 SEE. 407. (a) To carry out the major disaster insurance
11 program authorized by this title, the Secretary is
12 authorized to establish in the Treasury of the United States
13 a National Major Disaster Insurance Fund (hereinafter
14 referred to as the "fund") which shall be available, without
15 fiscal year limitation—

16 (1) to repay to the Secretary of the Treasury such
17 sums as may be borrowed from him (together with
18 interest) in accordance with the authority provided in
19 section 406 of this title; and

20 (2) to pay such administrative expenses (or portion
21 of such expenses) of carrying out the major disaster
22 insurance program as he may deem necessary; and

23 (3) to pay claims and other expenses and costs of
24 the major disaster insurance program, as the Secretary
25 deems necessary.

(b) The fund shall be credited with

(1) such funds borrowed in accordance with the authority provided in section 406 of this Act as may from time to time be deposited in the fund;

(2) such amounts as may be advanced to the fund from appropriations in order to maintain the fund in an operative condition adequate to meet its liabilities;

(3) interest which may be earned on investments of the fund pursuant to subsection (c);

(4) such sums as are required to be paid to the Secretary under section 405 (d); and

(5) receipts from any other operations under this title which may, from time to time, be credited to the fund (including premiums and salvage proceeds, if any, resulting from reinsurance coverage).

(c) If, after all outstanding obligations have been liquidated, the Secretary determines that the moneys of the United States are in excess of current needs, he may request the issuance of such amounts as he deems advisable by the Secretary of the Treasury in obligations issued or guaranteed by the United States.

~~PAYMENT OF CLAIMS~~

~~SEC. 408. The Secretary is authorized to prescribe regulations establishing the general method or methods by which allowed and approved claims for losses may be adjusted and~~

1 paid for any damage to or loss of property which is covered
2 by major disaster insurance made available under the pro-
3 visions of this Act.

4 ~~DISSEMINATION OF MAJOR DISASTER INSURANCE~~
5 ~~INFORMATION~~

6 SEC. 409. The Secretary shall take such action as may,
7 from time to time, be necessary in order to make information
8 and data available to the public and to any State or local
9 agency or official, with regard to—

- 10 (1) the major disaster insurance program, its cover-
11 age and objectives, and
12 (2) estimated and chargeable major disaster insur-
13 ance premium rates, including the basis for and differ-
14 ences between such rates in accordance with the provi-
15 sions of section 405.

16 ~~PROHIBITION AGAINST CERTAIN DUPLICATIONS~~
17 ~~OF BENEFITS~~

18 SEC. 410. (a) Notwithstanding the provisions of any
19 other law, no Federal disaster assistance shall be made avail-
20 able to any owner of real property for the physical loss,
21 destruction, or damage of such property, to the extent that
22 such loss, destruction, or damage

- 23 (1) is covered by a valid claim which may be ad-
24 justed and paid under major disaster insurance made
25 available under the authority of this title, or

1 (2) could have been covered by a valid claim under
2 major disaster insurance which had been made available
3 under the authority of this title, if—

4 (A) such loss, destruction, or damage occurred
5 subsequent to one year following the date major
6 disaster insurance was made available in the area
7 (or subdivision thereof) in which such property or
8 the major part thereof was located, and

9 (B) such property was eligible for major disaster
10 insurance under this title at that date,

11 and in such circumstances the extent that such loss, de-
12 struction, or damage could have been covered shall be
13 presumed (for purposes of this subsection) to be an
14 amount not less than the maximum limit of insurable
15 loss or damage applicable to such property in such area
16 (or subdivision thereof), pursuant to regulations under
17 section 403, at the time insurance was made available
18 in such area (or subdivision thereof).

19 (b) For purposes of this section “Federal disaster assist-
20 ance” shall include any Federal financial assistance which
21 may be made available to any person as a result of—

22 (1) a major disaster;

23 (2) a natural disaster, as determined by the Sec-
24 retary of Agriculture pursuant to section 321 of the

1 Consolidated Farmers Home Administration Act of
2 1961 (7 U.S.C. 1961), and

3 (3) a disaster with respect to which loans may be
4 made under section 7 (b) of the Small Business Act, as
5 amended (15 U.S.C. 636 (b)).

6 (e) For purposes of section 329 of this Act, the term
7 “financial assistance” includes any major disaster insurance
8 which is made available under this title.

9 PROPERTIES IN VIOLATION OF STATE AND LOCAL LAW

10 SEC. 411. (a) No new major disaster insurance coverage
11 shall be provided under this Act for any property which the
12 Secretary finds has been declared by a duly constituted
13 State or local zoning authority, or other authorized public
14 body, to be in violation of State or local laws, regulations,
15 or ordinances which are intended to discourage or otherwise
16 restrict land development or occupancy in disaster-prone
17 areas.

18 COORDINATION WITH OTHER PROGRAMS

19 SEC. 412. (a) In carrying out this title, the Secretary,
20 in cooperation with the Director, shall consult with other
21 departments and agencies of the Federal Government, and
22 interstate, State, and local agencies having responsibilities
23 for major disaster assistance in order to assure that the
24 programs of such agencies and the major disaster insurance
25 program authorized under this title are mutually consistent.

TERMINATION OF AUTHORITY

9 SEC. 413. The Secretary shall not establish or carry out
10 the major disaster insurance program authorized by this
11 title if he finds and certifies to the President and the Congress
12 not later than June 30, 1971, that major disaster insurance
13 with coverage equal to or more extensive than that which
14 would be provided under this title has been made available
15 on reasonable terms by private insurance companies. The
16 provisions of this title shall have no effect from and after
17 such certification by the Secretary.

~~TITLE V—MISCELLANEOUS~~

~~TECHNICAL AMENDMENTS~~

20 SEC. 501. (a) Section 701(a)(3)(B)(ii) of the
21 Housing Act of 1954 (40 U.S.C. 461(a)(3)(B)(ii)) is
22 amended to read as follows: “(ii) have suffered substantial
23 damage as a result of a major disaster as determined by
24 the President pursuant to the Omnibus Disaster Assistance
25 Act;”

1 (b) Section 8 (b) (2) of the National Housing Act
2 (42 U.S.C. 1706e(b) (2)) is amended by striking out of
3 the last proviso the words "section 2 (a) of the Act entitled
4 'An Act to authorize Federal assistance to States and local
5 governments in major disasters, and for other purposes'
6 (Public Law 875, Eighty-first Congress, approved Septem-
7 ber 30, 1950)" and inserting in lieu thereof the words "see-
8 tion 102 (1) of the Omnibus Disaster Assistance Act".

9 (e) Section 203 (h) of the National Housing Act (42
10 U.S.C. 1709 (h)) is amended by striking out "section 2 (a)
11 of the Act entitled 'An Act to authorize Federal assistance
12 to States and local governments in major disasters and for
13 other purposes' (Public Law 875, Eighty-first Congress,
14 approved September 30, 1950), as amended" and inserting
15 in lieu thereof "section 102 (1) of the Omnibus Disaster
16 Assistance Act".

17 (d) Section 221 (f) of the National Housing Act (42
18 U.S.C. 1715l(f)) is amended by striking out of the last
19 paragraph the words "the Act entitled 'An Act to authorize
20 Federal assistance to States and local governments in major
21 disasters, and for other purposes', approved September 30,
22 1950, as amended (42 U.S.C. 1855-1855g)" and inserting
23 in lieu thereof the words "the Omnibus Disaster Assistance
24 Act".

25 (e) Section 7 (a) (1) (A) of the Act of September

1 30, 1950 (20 U.S.C. 241-1(a)(1)(A)), is amended

2 by—

3 (1) striking out “Office of Emergency Planning”
4 and inserting in lieu thereof “Office of Disaster Assist-
5 ance”; and

6 (2) striking out “pursuant to section 2(a) of the
7 Act of September 30, 1950 (42 U.S.C. 1855a(a))” and
8 inserting in lieu thereof the following: “pursuant to
9 section 102(1) of the Omnibus Disaster Assistance Act”.

10 (f) Section 16(a) of the Act of September 23, 1950
11 (79 Stat. 1158; 20 U.S.C. 646(a)) is amended by—

12 (1) striking out “the Director of the Office of
13 Emergency Planning” and inserting in lieu thereof “the
14 Director of the Office of Disaster Assistance”; and

15 (2) striking out “section 2(a) of the Act of Sep-
16 tember 30, 1950 (42 U.S.C. 1855a(a))” and inserting
17 in lieu thereof “section 102(1) of the Omnibus Disaster
18 Assistance Act”.

19 (g) Section 408(a) of the Higher Education Facilities
20 Act of 1963 (20 U.S.C. 758(a)) is amended by striking
21 out “section 2(a) of the Act of September 30, 1950 (42
22 U.S.C. 1855a(a))” and inserting in lieu thereof the follow-
23 ing: “section 102(1) of the Omnibus Disaster Assistance
24 Act”.

1 (h) Section 165 (h) (2) of the Internal Revenue Code
2 of 1954, relating to disaster losses (26 U.S.C. 165 (h) (2))
3 is amended to read as follows:

4 “(2) occurring in an area subsequently determined
5 by the President of the United States to warrant assist-
6 ance by the Federal Government under the Omnibus
7 Disaster Assistance Act.”.

8 (i) Section 5064 (a) of the Internal Revenue Code of
9 1954 (26 U.S.C. 5064 (a)), relating to losses caused by
10 disaster, is amended by striking out “the Act of September
11 30, 1950 (42 U.S.C. 1855)” and inserting in lieu thereof
12 “the Omnibus Disaster Assistance Act”.

13 (j) Section 5708 (a) of the Internal Revenue Code of
14 1954 (26 U.S.C. 5708 (a)), relating to losses caused by
15 disaster, is amended by striking out “the Act of September
16 30, 1950 (42 U.S.C. 1855)” and inserting in lieu thereof
17 “the Omnibus Disaster Assistance Act”.

18 (k) Section 3 of the Act of June 30, 1954 (68 Stat.
19 330; 48 U.S.C. 1681), is amended by striking out of the
20 last sentence the words “section 2 of the Act of September
21 30, 1950 (64 Stat. 1109), as amended (42 U.S.C. 1855a)”
22 and inserting in lieu thereof the following: “section 102
23 (1) of the Omnibus Disaster Assistance Act”.

24 (l) Whenever reference is made in any provision of
25 law (other than this Act), regulation, rule, record, or docu-

1 ment of the United States to (1) the Office of Civil Defense,
 2 or (2) the Act of September 30, 1950 (64 Stat. 1109),
 3 or any provision of such Act, such reference shall be deemed
 4 to be a reference to (1) the Office of Disaster Assistance, or
 5 (2) the Omnibus Disaster Assistance Act, respectively.

6 **REPEAL OF EXISTING LAW**

7 **SEC. 502.** The following Acts are hereby repealed:

8 (1) the Act of September 30, 1950 (64 Stat.
 9 1109);

10 (2) the Disaster Relief Act of 1966 (80 Stat.
 11 1316); and

12 (3) the Disaster Relief Act of 1969 (83 Stat.
 13 125).

14 **AUTHORIZATION OF APPROPRIATIONS**

15 **SEC. 503.** There are hereby authorized to be appro-
 16 priated, except as provided otherwise in this Act, such sums
 17 as may be necessary to carry out the provisions of this Act.

18 *That this Act may be cited as the "Disaster Assistance Act
 19 of 1970".*

20 **TITLE I—FINDINGS AND DECLARATIONS;**

21 **DEFINITIONS**

22 **FINDINGS AND DECLARATIONS**

23 **SEC. 101.** (a) *The Congress hereby finds and declares
 24 that—*

25 (1) *because loss of life, human suffering, loss of in-*

come, and property loss and damage result from major disasters such as hurricanes, tornadoes, storms, floods, high waters, wind-driven waters, tidal waves, earthquakes, droughts, fires, and other catastrophes; and

(2) because such disasters disrupt the normal functioning of government and the community, and adversely affect individual persons and families with great severity;

*9 special measures, designed to expedite the rendering of aid,
10 assistance, and emergency welfare services, and the recon-
11 struction and rehabilitation of devastated areas, are necessary.*

(b) It is the intent of the Congress, by this Act, to provide an orderly and continuing means of alleviating the suffering and damage which result from such disasters by—

(1) revising and broadening the scope of existing major disaster relief programs;

17 (2) encouraging the development of comprehensive
18 disaster relief plans, programs, and organizations by the
19 States; and

(3) achieving greater coordination and responsiveness of Federal major disaster relief programs.

DEFINITIONS

SEC. 102. As used in this Act—

24 (1) "major disaster" means any hurricane, tor-
25 nado, storm, flood, high water, wind-driven water, tidal

1 *wave, earthquake, drought, fire, or other catastrophe*
2 *in any part of the United States, which in the determina-*
3 *tion of the President, is or threatens to be of sufficient*
4 *severity and magnitude to warrant disaster assistance*
5 *by the Federal Government to supplement the efforts*
6 *and available resources of States, local governments, and*
7 *relief organizations in alleviating the damage, loss, hard-*
8 *ship, or suffering caused thereby, and with respect to*
9 *which the Governor of any State in which such cata-*
10 *trophe occurs or threatens to occur certifies the need*
11 *for disaster assistance under this Act and gives assur-*
12 *ance of the expenditure of a reasonable amount of the*
13 *funds of such State, its local governments, or other*
14 *agencies for alleviating the damage, loss, hardship or*
15 *suffering resulting from such catastrophe;*

16 (2) “*United States*” means the fifty States, the
17 *District of Columbia, Puerto Rico, the Virgin Islands,*
18 *Guam, American Samoa, and the Trust Territory of the*
19 *Pacific Islands;*

20 (3) “*State*” means any State of the United States,
21 *the District of Columbia, Puerto Rico, the Virgin Is-*
22 *lands, Guam, American Samoa, or the Trust Territory*
23 *of the Pacific Islands;*

24 (4) “*Governor*” means the chief executive of any
25 *State;*

1 (5) "local government" means any county, city,
2 village, town, district, or other political subdivision of
3 any State, and includes any rural community or unin-
4 corporated town or village for which an application for
5 assistance is made by a State or political subdivision
6 thereof;

7 (6) "Federal agency" means any department, in-
8 dependent establishment, Federal corporation, or other
9 agency of the executive branch of the Federal Govern-
10 ment, except the American National Red Cross; and

11 (7) "Director" means the Director of the Office of
12 Emergency Preparedness.

13 TITLE II—THE ADMINISTRATION OF
14 DISASTER ASSISTANCE

15 PART A—GENERAL PROVISIONS

16 FEDERAL COORDINATING OFFICER

17 SEC. 201. (a) The President shall appoint, immediate-
18 ly upon his designation of a major disaster area, a Federal
19 coordinating officer to operate under the Office of Emergency
20 Preparedness in such area.

21 (b) In order to effectuate the purposes of this Act, the
22 coordinating officer, within the designated area, shall

23 (1) make an initial appraisal of the types of relief
24 most urgently needed;

1 (2) establish such field offices as he deems necessary
2 and as are authorized by the Director;

3 (3) coordinate the administration of relief, includ-
4 ing activities of the American National Red Cross and
5 of other relief organizations which agree to operate
6 under his advice or direction; and

7 (4) take such other action, consistent with authority
8 delegated to him by the Director, and consistent with the
9 provisions of this Act, as he may deem necessary to
10 assist local citizens and public officials in promptly ob-
11 taining assistance to which they are entitled.

12 **EMERGENCY SUPPORT TEAMS**

13 SEC. 202. The Director is authorized to form emergency
14 support teams of personnel to be deployed in a major disaster
15 area. Such emergency support teams shall assist the Federal
16 coordinating officer in carrying out his responsibilities pursu-
17 ant to section 201(b) of this Act.

18 **COOPERATION OF FEDERAL AGENCIES**

19 SEC. 203. (a) In any major disaster, Federal agencies
20 are hereby authorized, on direction of the President, to pro-
21 vide assistance by—

22 (1) utilizing or lending, with or without compen-
23 sation therefor, to States and local governments, their
24 equipment, supplies, facilities, personnel, and other re-

1 *sources, other than the extension of credit under the*
2 *authority of any Act;*

3 *(2) distributing or rendering, through the Ameri-*
4 *can National Red Cross, other relief and disaster assist-*
5 *ance organizations, or otherwise, medicine, food, and*
6 *other consumable supplies, or emergency assistance;*

7 *(3) donating or lending equipment and supplies*
8 *determined in accordance with applicable laws to be*
9 *surplus to the needs and responsibilities of the Federal*
10 *Government; and*

11 *(4) performing on public or private lands or waters*
12 *any emergency work essential for the protection and*
13 *preservation of life and property, including—*

14 *(A) clearing and removing debris and wreck-*
15 *age;*

16 *(B) making repairs to, or restoring to service,*
17 *public facilities, belonging to State or local govern-*
18 *ments, which were damaged or destroyed by a major*
19 *disaster except that the Federal contribution therefor*
20 *shall not exceed the net cost of restoring such facili-*
21 *ties to their capacity prior to such disaster;*

22 *(C) providing emergency shelter for individ-*
23 *uals and families who, as a result of a major dis-*
24 *aster, require such assistance; and*

25 *(D) making contributions to State or local*

1 *governments for the purpose of carrying out the*
2 *provisions of paragraph (4).*

3 *(b) Emergency work performed under subsection (a)*
4 *(4) of this section shall not preclude Federal assistance under*
5 *any other section of this Act.*

6 *(c) Federal agencies may be reimbursed for expendi-*
7 *tures under section 203(a) from funds appropriated for the*
8 *purposes of this Act. Any funds received by Federal agen-*
9 *cies as reimbursement for services or supplies furnished under*
10 *the authority of this section shall be deposited to the credit of*
11 *the appropriation or appropriations currently available for*
12 *such services or supplies.*

13 *(d) The Federal Government shall not be liable for*
14 *any claim based upon the exercise or performance or the*
15 *failure to exercise or perform a discretionary function*
16 *or duty on the part of a Federal agency or an employee of*
17 *the Federal Government in carrying out the provisions of this*
18 *section.*

19 *(e) Any Federal agency designated by the President*
20 *to exercise authority under this Act may establish such*
21 *special groups, interdepartmental or otherwise, as it deems*
22 *appropriate to assist in carrying out the provisions of*
23 *law relating to Federal disaster preparedness and assistance,*
24 *and the funds of any such agency may be utilized for the*
25 *necessary expenses of any group so established.*

1 (f) In carrying out the purposes of this Act, any Fed-
2 eral agency is authorized to accept and utilize the services or
3 facilities of any State or local government, or of any agency,
4 office, or employee thereof, with the consent of such govern-
5 ment. Any Federal agency, in performing any activities
6 under this section, is authorized to appoint and fix the com-
7 pensation of such temporary personnel as may be necessary,
8 without regard to the provisions of title 5, United States Code,
9 governing appointments in the competitive service, and without
10 regard to the provisions of chapter 51 and subchapter III
11 of such title relating to classification and General Schedule
12 pay rates, to employ experts and consultants in accordance
13 with the provisions of section 3109 of such title, and to incur
14 obligations on behalf of the United States by contract or other-
15 wise for the acquisition, rental, or hire of equipment, services,
16 materials, and supplies for shipping, drayage, travel, and
17 communication, and for the supervision and administration of
18 such activities. Such obligations, including obligations arising
19 out of the temporary employment of additional personnel,
20 may be incurred by an agency in such amount as may be
21 made available to it by the President.

22 (g) In the interest of providing maximum mobilization
23 of Federal assistance under this Act, the President is au-
24 thorized to coordinate in such manner as he may determine

1 *the activities of Federal agencies in providing disaster assist-*
2 *ance. The President may direct any Federal agency to utilize*
3 *its available personnel, equipment, supplies, facilities, and*
4 *other resources in accordance with the authority herein con-*
5 *tained. The President may prescribe such rules and regula-*
6 *tions as may be necessary and proper to carry out any of the*
7 *provisions of this Act, and he may exercise any power or*
8 *authority conferred on him by any section of this Act either*
9 *directly or through such Federal agency as he may designate.*

10 (h) *The President, acting through the Office of Emer-*
11 *gency Preparedness, shall conduct periodic reviews (at least*
12 *annually) of the activities of Federal and State departments*
13 *or agencies providing disaster assistance, in order to assure*
14 *maximum coordination of such programs, and to evaluate*
15 *progress being made in the development of Federal, State,*
16 *and local preparedness to cope with major disasters.*

17 ¹
USE OF LOCAL FIRMS AND INDIVIDUALS

18 SEC. 204. *In the expenditure of Federal funds for debris*
19 *clearance, distribution of supplies, reconstruction, and other*
20 *major disaster assistance activities which may be carried out*
21 *by contract with private organizations, firms, or individuals,*
22 *preference shall be given, to the extent feasible and practica-*
23 *ble, to those organizations, firms, and individuals who reside*
24 *or do business primarily in the disaster area.*

1 FEDERAL GRANT-IN-AID PROGRAMS

2 *SEC. 205. Any Federal agency charged with the admin-*
3 *istration of a Federal grant-in-aid program is authorized, if*
4 *so requested by the applicant State or local authorities, to*
5 *modify or waive, for the duration of a major disaster procla-*
6 *mation, such conditions for assistance as would otherwise pre-*
7 *vent the giving of assistance under such programs if the*
8 *inability to meet such conditions is a result of the disaster.*

9 STATE DISASTER PLANS

10 *SEC. 206. (a) The President is authorized to provide*
11 *assistance to the States in developing comprehensive plans*
12 *and practicable programs for preparation against major dis-*
13 *asters, and for relief and assistance for individuals, busi-*
14 *nesses, and local governments following such disasters. Such*
15 *plans should include long-range recovery and reconstruction*
16 *assistance plans for seriously damaged or destroyed public*
17 *and private facilities.*

18 *(b) The President is authorized to make grants of not*
19 *more than \$250,000 to any State, upon application therefor,*
20 *for not to exceed 50 per centum of the cost of developing such*
21 *plans and programs.*

22 *(c) Any State desiring assistance under this section*
23 *shall designate or create an agency which is specially quali-*
24 *fied to plan and administer such a disaster relief program.*

1 and shall, through such agency, submit a State plan to the
2 President, which shall—

3 (1) set forth a comprehensive and detailed State
4 program for preparation against, and relief following, a
5 major disaster, including provisions for emergency and
6 long-term assistance to individuals, businesses, and local
7 governments; and

8 (2) include provision for the appointment of a State
9 coordinating officer to act in cooperation with the Fed-
10 eral coordinating officer appointed under section 201 of
11 this Act.

12 (d) From time to time the Director shall make a report
13 to the President, for submission to the Congress, containing
14 his recommendations for programs for the Federal role
15 in the implementation and funding of comprehensive disaster
16 relief plans, and such other recommendations relating to
17 the Federal role in disaster relief activities as he deems
18 warranted.

19 (e) The President is authorized to make grants not to
20 exceed \$25,000 per annum to any State in an amount not to
21 exceed 50 per centum of the cost for the purpose of im-
22 proving, maintaining, and updating that State's disaster
23 assistance plans.

1 USE AND COORDINATION OF RELIEF ORGANIZATIONS

2 SEC. 207. (a) In providing relief and assistance following a major disaster, the Director may utilize, with their consent, the personnel and facilities of the American National Red Cross, the Salvation Army, the Mennonite Board of Missions and Charities, and other relief or disaster assistance organizations, in the distribution of medicine, food, supplies, or other items, and in the restoration, rehabilitation, or reconstruction of community services and essential facilities, whenever the Director finds that such utilization is necessary.

11 (b) The Director is authorized to enter into agreements with the American National Red Cross and other relief or disaster assistance organizations under which the disaster relief activities of such organizations may be coordinated by the Federal coordinating officer whenever such organizations are engaged in providing relief during and after a major disaster. Any such agreement shall include provisions conditioning use of the facilities of the Office of Emergency Preparedness and the services of the coordinating officer upon compliance with regulations promulgated by the Director under sections 208 and 209 of this Act, and such other regulations as the Director may require.

23 DUPLICATION OF BENEFITS

24 SEC. 208. (a) The Director, in consultation with the head of each Federal agency administering any program pro-

1 viding financial assistance to persons, business concerns, or
2 other entities suffering losses as the result of a major disaster,
3 shall assure that no such person, business concern, or other
4 entity will receive such assistance with respect to any part
5 of such loss as to which he has received financial assistance
6 under any other program.

7 (b) The Director shall assure that no person, business
8 concern, or other entity receives any Federal assistance for
9 any part of a loss suffered as the result of a major disaster if
10 such person, concern, or entity received compensation from
11 insurance or any other source for that part of such a loss.
12 Partial compensation for a loss or a part of a loss resulting
13 from a major disaster shall not preclude additional Federal
14 assistance for any part of such a loss not compensated
15 otherwise.

16 (c) Whenever the Director determines (1) that a per-
17 son, business concern, or other entity has received assist-
18 ance under this Act for a loss and that such person, busi-
19 ness concern or other entity received assistance for the same
20 loss from another source, and (2) that the amount received
21 from all sources exceeded the amount of the loss, he shall
22 direct such person, business concern, or other entity to pay
23 to the Treasury an amount, not to exceed the amount of
24 Federal assistance received, sufficient to reimburse the Fed-

1 eral Government for that part of the assistance which he
2 deems excessive.

3 *NONDISCRIMINATION IN DISASTER ASSISTANCE*

4 ~~SEC. 209.~~ (a) The Director shall issue, and may alter
5 and amend, such regulations as may be necessary for the guid-
6 ance of personnel carrying out emergency relief functions
7 at the site of a major disaster. Such regulations shall include
8 provisions for insuring that the distribution of supplies, the
9 processing of applications, and other relief and assistance
10 activities shall be accomplished in an equitable and impartial
11 manner, without discrimination on the grounds of race, color,
12 religion, nationality, sex, age, or economic status prior to
13 a major disaster.

14 (b) As a condition of participation in the distribution
15 of assistance or supplies under section 207, relief organiza-
16 tions shall be required to comply with regulations relating
17 to nondiscrimination promulgated by the Director, and such
18 other regulations applicable to activities within a major dis-
19 aster area as he deems necessary for the effective coordina-
20 tion of relief efforts.

21 *ADVISORY PERSONNEL*

22 ~~SEC. 210.~~ The Director is authorized to assign advisory
23 personnel to the chief executive officer of any State or local
24 government within a major disaster area, upon request by
25 such officer, whenever the Director determines that such

1 assignment is desirable in order to insure full utilization of
2 relief and assistance resources and programs.

3 DISASTER WARNINGS

4 *SEC. 211. The President is authorized to utilize or to*
5 *make available to Federal, State, and local agencies the fa-*
6 *cilities of the civil defense communications system established*
7 *and maintained pursuant to section 201(c) of the Federal*
8 *Civil Defense Act of 1950, as amended (50 U.S.C. app.*
9 *2281(c)), for the purpose of providing needed warning to*
10 *governmental authorities and the civilian population in areas*
11 *endangered by imminent major disasters.*

12 PART B—EMERGENCY RELIEF

13 PREDISASTER ASSISTANCE

14 *SEC. 221. To avert or lessen the effects of a major dis-*
15 *aster, the President is authorized, without declaring a major*
16 *disaster, to utilize Federal resources in providing disaster*
17 *assistance to any State to assist such State or any local gov-*
18 *ernment thereof in circumstances which clearly indicate the*
19 *imminent occurrence of a major disaster.*

20 EMERGENCY COMMUNICATIONS

21 *SEC. 222. The Director is authorized to establish emer-*
22 *gency communications in any major disaster area in order*
23 *to carry out the functions of his office, and to make such*
24 *communications available to State and local government*
25 *officials and other persons as he deems appropriate.*

1 EMERGENCY PUBLIC TRANSPORTATION

2 *SEC. 223. The Director is authorized to provide public*
3 *transportation service to meet emergency needs in a major*
4 *disaster area. Such service will provide transportation to*
5 *governmental offices, supply centers, stores, post offices,*
6 *schools, major employment centers, and such other places as*
7 *may be necessary in order to enable the community to resume*
8 *its normal pattern of life as soon as possible.*

9 DEBRIS REMOVAL GRANTS

10 *SEC. 224. The President, whenever he determines it to*
11 *be in the public interest, is authorized to make grants to any*
12 *State or local government for the purpose of removing debris*
13 *on privately owned lands or waters as a result of a major*
14 *disaster, and is authorized to make payments through such*
15 *State or local government for the removal of debris from*
16 *community areas which may include the private property of*
17 *an individual. No benefits will be available under this sec-*
18 *tion unless such State or local government arranges un-*
19 *conditional authorization for removal of debris from such*
20 *property and agrees to indemnify the Federal Government*
21 *against any claims arising from such debris removal.*

22 FIRE SUPPRESSION GRANTS

23 *SEC. 225. The President is authorized to provide assist-*
24 *ance, including grants, to any State for the suppression of*
25 *any fire on publicly or privately owned forest or grassland*

1 which threatens such destruction as would constitute a major
2 disaster.

3 **TEMPORARY HOUSING ASSISTANCE**

4 *SEC. 226. (a) The Director is authorized to provide on*
5 *a temporary basis, as prescribed in this section, dwelling*
6 *accommodations for individuals and families who, as a result*
7 *of a major disaster, are in need of assistance by (1) using*
8 *any unoccupied housing owned by the United States under*
9 *any program of the Federal Government, (2) arranging*
10 *with a local public housing agency for using unoccupied pub-*
11 *lic housing units, or (3) acquiring existing dwellings or*
12 *mobile homes or other readily fabricated dwellings, by pur-*
13 *chase or lease. Notwithstanding any other provision of law,*
14 *any existing dwellings, mobile homes, or readily fabricated*
15 *dwellings acquired by purchase may be sold directly to in-*
16 *dividuals and families who are occupants of such temporary*
17 *accommodations at prices that are fair and equitable. Any*
18 *mobile home or readily fabricated dwelling shall be placed*
19 *on a site complete with utilities provided by State or local*
20 *government, or by the owner or occupant of the site who was*
21 *displaced by the major disaster, without charge to the United*
22 *States. However, the Director may elect to provide other*
23 *more economical and accessible sites at Federal expense when*
24 *he determines such action to be in the public interest.*

25 *(b) After the initial ninety days of occupancy without*

1 charge, rentals shall be established for such accommodations,
2 under such rules and regulations as the Director may pre-
3 scribe, taking into account the financial resources of the oc-
4 cupant. In case of financial hardship, rentals may be com-
5 promised, adjusted, or waived for a period not to exceed
6 twelve months from the date of occupancy, but in no case
7 shall any such individual or family be required to incur a
8 monthly housing expense (including any fixed expense relat-
9 ing to the amortization of debt owing on a house destroyed
10 or damaged in a major disaster) which is in excess of 25 per
11 centum of the monthly income of the occupant or occupants.

12 (c) The Director is further authorized to provide assist-
13 ance on a temporary basis in the form of mortgage or rental
14 payments to or on behalf of individuals and families who, as
15 a result of financial hardship caused by a major disaster,
16 have received written notice of dispossession or eviction from
17 a residence by reason of foreclosure of any mortgage or lien,
18 cancellation of any contract of sale, or termination of any
19 lease, oral or written. Such assistance shall be provided for a
20 period of not to exceed one year or for the duration of the
21 period of financial hardship, whichever is the lesser. The Di-
22 rector shall, for the purposes of this subsection and in further-
23 ance of the purposes of section 240 of this Act, provide re-
24 employment assistance services to individuals who are unem-
25 ployed as a result of a major disaster.

1 *PART C—RECOVERY ASSISTANCE*2 *SMALL BUSINESS DISASTER LOANS*

3 *SEC. 231. (a) In the administration of the disaster loan*
4 *program under section 7(b)(1) of the Small Business Act,*
5 *as amended (15 U.S.C. 636(b)), in the case of property*
6 *loss or damage resulting from a major disaster as determined*
7 *by the President or a disaster as determined by the Adminis-*
8 *trator, the Small Business Administration—*

9 *(1) to the extent such loss or damage is not com-*
10 *pensated for by insurance or otherwise, (A) shall, on*
11 *that part of any loan in excess of \$500, cancel the*
12 *principal of the loan, except that the total amount so*
13 *canceled shall not exceed \$2,500, and (B) may defer in-*
14 *terest payments or principal payments, or both, in whole*
15 *or in part, on such loan during the first three years of*
16 *the term of the loan without regard to the ability of the*
17 *borrower to make such payments;*

18 *(2) may make any loan for the repair, rehabilita-*
19 *tion, or replacement of property damaged or destroyed,*
20 *without regard to whether the required financial assist-*
21 *ance is otherwise available from private sources; and*

22 *(3) in the case of the total destruction of, or*
23 *substantial property damage to, a home or business con-*
24 *cern, may refinance any mortgage or other liens outstand-*
25 *ing against the destroyed or damaged property if such*

1 refinancing is for the repair, rehabilitation, or replace-
2 ment of property damaged or destroyed as a result of
3 such disaster and any such refinancing shall be subject
4 to the provisions of clauses (1) and (2) of this sub-
5 section.

6 (b) Section 7 of the Small Business Act is amended—

7 (1) by revising paragraph (2) of subsection (b)
8 to read as follows:

9 “(2) to make such loans (either directly or
10 in cooperation with banks or other lending institu-
11 tions through agreements to participate on an im-
12 mediate or deferred basis) as the Administration
13 may determine to be necessary or appropriate to
14 any small business concern located in an area af-
15 fected by a disaster, if the Administration deter-
16 mines that the concern has suffered a substantial
17 economic injury as a result of such disaster;”;

18 (2) by striking from the second sentence of sub-
19 section (b) the following: “meeting the requirements of
20 clause (A) or (B) of paragraph (2) of this subsec-
21 tion;” and

22 (3) by striking from subsection (f) the following:
23 “in the case of property loss or damage as the result of
24 a disaster which is a ‘major disaster’ as defined in section

1 2(a) of the Act of September 30, 1950 (42 U.S.C.
2 1855a(a)),".

3 FARMERS HOME ADMINISTRATION EMERGENCY LOANS

4 SEC. 232. In the administration of the emergency loan
5 program under subtitle C of the Consolidated Farmers Home
6 Administration Act of 1961, as amended (7 U.S.C. 1961-
7 1967), and the rural housing loan program under section
8 502 of title V of the Housing Act of 1949, as amended (42
9 U.S.C. 1472), in the case of loss or damage, resulting from
10 a major disaster, to property, including household furnish-
11 ings, the Secretary of Agriculture—

12 (1) to the extent such loss or damage is not com-
13 pensated for by insurance or otherwise, (A) shall, on
14 that part of any loan in excess of \$500, cancel the prin-
15 cipal of the loan, except that the total amount so can-
16 celed shall not exceed \$2,500, and (B) may defer
17 interest payments or principal payments, or both, in
18 whole or in part, on such loan during the first three
19 years of the term of the loan without regard to the ability
20 of the borrower to make such payments;

21 (2) may grant any loan for the repair, rehabilita-
22 tion, or replacement of property damaged or destroyed,
23 without regard to whether the required financial assist-
24 ance is otherwise available from private sources; and

1 (3) in the case of the total destruction of, or substantial
2 property damage to a home or business concern may refinance any mortgage or other liens outstanding
3 against the destroyed or damaged property if such refinancing is for the repair, rehabilitation, or replacement
4 of property damaged or destroyed as a result of such disaster and any such refinancing shall be subject
5 to the provisions of clauses (1) and (2) of this section.

6 LOANS HELD BY THE VETERANS' ADMINISTRATION

7 SEC. 233. (1) Section 1820(a)(2) of title 38, United States Code, is amended to read as follows:

8 “(2) subject to specific limitations in this chapter, consent to the modification, with respect to rate of interest, time of payment of principal or interest or any portion thereof, security or other provisions of any note, contract, mortgage or other instrument securing a loan which has been guaranteed, insured, made or acquired under this chapter;”

9 (2) Section 1820(f) of title 38, United States Code, is amended to read as follows:

10 “(f) Whenever loss, destruction, or damage to any residential property securing loans guaranteed, insured, made, or acquired by the Administrator under this chapter occurs as the result of a major disaster as determined by the President under the Disaster Assistance Act of 1970, the

1 Administrator shall (1) provide counseling and such other
2 service to the owner of such property as may be feasible and
3 shall inform such owner concerning the disaster assistance
4 available from other Federal agencies and from State or
5 local agencies, and (2) pursuant to subsection (a)(2) of
6 this section, extend on an individual case basis such for-
7 bearance or indulgence to such owner as the Administrator
8 determines to be warranted by the facts of the case and the
9 circumstances of such owner."

10 DISASTER LOAN INTEREST RATES

11 SEC. 234. (a) Any loan made under the authority of
12 sections 231, 232, 236(b), 237, or 241 of this Act shall bear
13 interest at a rate determined by the Secretary of the Treas-
14 ury, taking into consideration the current average market
15 yield on outstanding marketable obligations of the United
16 States with remaining periods of maturity of ten to twelve
17 years less not to exceed 2 per centum per annum.

18 (b) The next to the last sentence of section 7(b) of the
19 Small Business Act is amended by striking out all that fol-
20 lows "exceed" and inserting in lieu thereof the following:
21 "a rate determined by the Secretary of the Treasury taking
22 into consideration the current average market yield on out-
23 standing marketable obligations of the United States with
24 remaining periods of maturity of ten to twelve years less not
25 to exceed 2 per centum per annum."

1 *AGE OF APPLICANT FOR LOANS*

2 *SEC. 235. In the administration of any Federal disaster*
3 *loan program under the authority of sections 231, 232, or*
4 *233 of this Act, the age of any adult loan applicant shall*
5 *not be considered in determining whether such loan should*
6 *be made or the amount of such loan.*

7 *FEDERAL LOAN ADJUSTMENTS*

8 *SEC. 236. (a) In addition to the loan extension au-*
9 *thority provided in section 12 of the Rural Electrification*
10 *Act, the Secretary of Agriculture is authorized to adjust and*
11 *readjust the schedules for payment of principal and interest*
12 *on loans to borrowers under programs administered by the*
13 *Rural Electrification Administration, and to extend the*
14 *maturity date of any such loan to a date not beyond forty*
15 *years from the date of such loan where he determines such*
16 *action is necessary because of the impairment of the eco-*
17 *nomic feasibility of the system, or the loss, destruction, or*
18 *damage of the property of such borrowers as a result of a*
19 *major disaster.*

20 *(b) The Secretary of Housing and Urban Development*
21 *is authorized to refinance any note or other obligation which*
22 *is held by him in connection with any loan made by the*
23 *Department of Housing and Urban Development or its pred-*
24 *ecessor in interest, or which is included within the revolv-*
25 *ing fund for liquidating programs established by the Inde-*

1 pendent Offices Appropriation Act of 1955, where he finds
2 such refinancing necessary because of the loss, destruction,
3 or damage (as a result of a major disaster) to property or
4 facilities securing such obligations. The Secretary may
5 authorize a suspension in the payment of principal and
6 interest charges on, and an additional extension in the
7 maturity of, any such loan for a period not to exceed five
8 years if he determines that such action is necessary to avoid
9 severe financial hardship.

10 AID TO MAJOR SOURCES OF EMPLOYMENT

11 SEC. 237. (a) The Small Business Administration in
12 the case of a nonagricultural enterprise, and the Farmers
13 Home Administration in the case of an agricultural enter-
14 prise, are authorized to provide any industrial, commercial,
15 agricultural, or other enterprise, which has constituted a
16 major source of employment in an area suffering a major
17 disaster and which is no longer in substantial operation as
18 a result of such disaster, a loan in such amount as may be
19 necessary to enable such enterprise to resume operations
20 in order to assist in restoring the economic viability of the
21 disaster area. Loans authorized by this section shall be made
22 without regard to limitations on the size of loans which
23 may otherwise be imposed by any other provision of law
24 or regulation promulgated pursuant thereto.

25 (b) Assistance under this section shall be in addition

1 to any other Federal disaster assistance, except that such
2 other assistance may be adjusted or modified to the extent
3 deemed appropriate by the Director under the authority of
4 section 208 of this Act. Any loan made under this section
5 shall be subject to the interest requirements of section 234
6 of this Act, but the President, if he deems it necessary, may
7 defer payments of principal and interest for a period not to
8 exceed three years after the date of the loan.

9 **FOOD COUPONS AND DISTRIBUTION**

10 SEC. 238. (a) Whenever the President determines
11 that, as a result of a major disaster, low-income households
12 are unable to purchase adequate amounts of nutritious food,
13 he is authorized, under such terms and conditions as he may
14 prescribe, to distribute through the Secretary of Agriculture
15 coupon allotments to such households pursuant to the pro-
16 visions of the Food Stamp Act of 1964 and to make surplus
17 commodities available pursuant to the provisions of section
18 203 of this Act.

19 (b) The President, through the Secretary of Agricul-
20 ture is authorized to continue to make such coupon allotments
21 and surplus commodities available to such households for so
22 long as he determines necessary, taking into consideration
23 such factors as he deems appropriate, including the conse-
24 quences of the major disaster on the earning power of the

1 households to which assistance is made available under this
2 section.

3 (c) Nothing in this section shall be construed as
4 amending or otherwise changing the provisions of the Food
5 Stamp Act of 1964 except as they relate to the availability
6 of food stamps in a major disaster area.

7 **LEGAL SERVICES**

8 SEC. 239. Whenever the Director determines that low-
9 income individuals are unable to secure legal services ade-
10 quate to meet their needs as a consequence of a major dis-
11 aster, he shall assure the availability of such legal services
12 as may be needed by these individuals because of conditions
13 created by a major disaster. Whenever feasible, and con-
14 sistent with the goals of the program authorized by this
15 section, the Director shall assure that the programs are
16 conducted with the advice and assistance of appropriate
17 Federal agencies and State and local bar associations.

18 **UNEMPLOYMENT ASSISTANCE**

19 SEC. 240. The President is authorized to provide to any
20 individual unemployed as a result of a major disaster, such
21 assistance as he deems appropriate while such individual is
22 unemployed. Such assistance as the President shall provide
23 shall not exceed the maximum amount and the maximum
24 duration of payment under the unemployment compensation

1 program of the State in which the disaster occurred, and the
2 amount of assistance under this section to any such individual
3 shall be reduced by any amount of unemployment compen-
4 sation or of private income protection insurance compensation
5 available to such individual for such period of unemployment.

6 COMMUNITY DISASTER LOAN FUND

7 SEC. 241. (a) There is established within the Treasury
8 a Community Disaster Loan Fund from which the President
9 may authorize loans to local governments for the purposes of
10 meeting payments of principal and interest on outstanding
11 bonded indebtedness, for providing the local share of any
12 Federal grant-in-aid program which is designed to assist in
13 the restoration of an area damaged by a major disaster, or
14 for providing and maintaining essential public services. Such
15 loans shall be made only if the local government has suffered
16 a loss of either more than 25 per centum of its tax base or
17 such a substantial amount that it is otherwise unable to meet
18 such payments, local share obligations, or the cost of essential
19 public services.

20 (b) Loans from the Fund established by this section
21 shall be without interest for the first two years, shall be made
22 for such periods as may be necessary, not to exceed twenty
23 years, and shall bear interest after the first two years at a rate
24 prescribed in section 234. The President may defer initial
25 payments on such a loan for a period not to exceed five years

1 or half the term of the loan, whichever is less. Any loans
2 under this section may be made for a local government's
3 fiscal year in which the disaster occurred and for each of
4 the following two fiscal years. Loans for any year shall not
5 exceed the difference between the average annual property tax
6 revenue received by the local government for the three-year
7 period preceding the major disaster and the local govern-
8 ment's accrued property tax revenue for each of the three
9 years following the major disaster. For purposes of compu-
10 tations under this section, the tax rate and tax assessment
11 valuation factors in effect at the time of the disaster shall
12 not be reduced during the three-year period following the
13 disaster.

14 (c)(1) The President may transfer to the Fund such
15 sums as he may determine to be necessary from the appro-
16 priations available to him for disaster relief. All amounts
17 received as interest payments or repayments of principal
18 on loans, and any other moneys, property, or assets derived
19 from operations in connection with this section shall be
20 deposited to the Fund.

21 (2) All loans, expenses, and payments pursuant to
22 operations under this section shall be paid from the Fund.
23 From time to time, and at least at the close of each fiscal
24 year, there shall be paid from the Fund into the Treasury,
25 as miscellaneous receipts, interest on the average amount

*1 of appropriations accumulated as capital to the Fund, less
2 the average undisbursed cash balance in the fund during
3 the year. The rate of such interest shall not exceed any
4 rate determined under section 234 for loans from the Fund.
5 Interest payments may be deferred with the approval of the
6 Secretary of the Treasury, but any interest payments so de-
7 ferred shall themselves bear interest. If at any time the Presi-
8 dent determines that moneys in the Fund exceed the present
9 and any reasonably prospective future requirements of the
10 Fund, such excess may be transferred to the general fund of
11 the Treasury or to the appropriations available to the Presi-
12 dent for disaster relief.*

13 (d) There are hereby authorized to be appropriated
14 such sums, not to exceed \$100,000,000, as may be neces-
15 sary to carry out the provisions of this section.

16 TIMBER SALE CONTRACTS

SEC. 242. (a) Where an existing timber sale contract between the Secretary of Agriculture or the Secretary of the Interior and a timber purchaser does not provide relief from major physical change not due to negligence of the purchaser prior to approval of construction of any section of specified road or of any other specified development facility and, as a result of a major disaster, a major physical change results in additional construction work in connection with such road or facility by such purchaser with an esti-

1 mated cost, as determined by the appropriate Secretary, (1)
2 of more than \$1,000 for sales under one million board feet,
3 (2) of more than \$1 per thousand board feet for sales of
4 one to three million board feet, or (3) of more than \$3,000
5 for sales over three million board feet, such increased con-
6 struction cost shall be borne by the United States.

7 (b) If the Secretary determines that damages are
8 so great that restoration, reconstruction, or construction is
9 not practical under the cost-sharing arrangement authorized
10 by subsection (a) of this section, the Secretary may allow
11 cancellation of the contract notwithstanding contrary pro-
12 visions therein.

13 (c) The Secretary of Agriculture is authorized to re-
14 duce to seven days the minimum period of advance public
15 notice required by the first section of the Act of June 4, 1897
16 (16 U.S.C. 476), in connection with the sale of timber from
17 national forests, whenever the Secretary determines that (1)
18 the sale of such timber will assist in the construction of any
19 area of a State damaged by a major disaster, (2) the sale
20 of such timber will assist in sustaining the economy of such
21 area, or (3) the sale of such timber is necessary to salvage
22 the value of timber damaged in such major disaster or to
23 protect undamaged timber.

24 (d) The President, when he determines it to be in the
25 public interest, and acting through the Director of Emergency

1 *Preparedness, is authorized to make grants to any State or*
2 *local government for the purpose of removing from privately*
3 *owned lands timber damaged as a result of a major disaster,*
4 *and such State or local government is authorized upon appli-*
5 *cation, to make payments out of such grants to any person*
6 *for reimbursement of expenses actually incurred by such*
7 *person in the removal of damaged timber, not to exceed the*
8 *amount that such expenses exceed the salvage value of such*
9 *timber.*

10 **PUBLIC LAND ENTRYMEN**

11 *SEC. 243. The Secretary of the Interior is authorized to*
12 *give any public land entryman such additional time in which*
13 *to comply with any requirement of law in connection with*
14 *any public land entry for lands affected by a major disaster*
15 *as the Secretary finds appropriate because of interference*
16 *with the entryman's ability to comply with such requirement*
17 *as a result of such major disaster.*

18 **MINIMUM STANDARDS FOR RESIDENTIAL STRUCTURE**

19 **RESTORATION**

20 *SEC. 244. (a) No loan or grant made by any Federal*
21 *agency, or by any relief organization operating under the*
22 *supervision of the Director, for the repair, restoration, recon-*
23 *struction, or replacement of any residential structure located*
24 *in a major disaster area shall be made unless such structure*
25 *will be repaired, restored, reconstructed, or replaced in ac-*

1 cordance with such minimum standards of safety, decency,
2 and sanitation as the Secretary of Housing and Urban De-
3 velopment may prescribe by regulation for such purpose,
4 and in conformity with applicable building codes and
5 specifications.

6 (b) In order to carry out the provisions of this sec-
7 tion, the Secretary of Housing and Urban Development is
8 authorized—

9 (1) to consult with such other officials in the
10 Federal, State, and local governments as he deems
11 necessary, in order that regulations prescribed under
12 this section shall—

13 (A) carry out the purpose of this section; and
14 (B) have the necessary flexibility to be con-
15 sistent with requirements of other building regula-
16 tions, codes, and program requirements applicable;
17 and

18 (2) to promulgate such regulations as may be
19 necessary.

20 **PART D—RESTORATION OF PUBLIC FACILITIES**

21 **FEDERAL FACILITIES**

22 SEC. 251. The President may authorize any Federal
23 agency to repair, reconstruct, restore, or replace any facility
24 owned by the United States and under the jurisdiction of
25 such agency which is damaged or destroyed by any major

1 disaster if he determines that such repair, reconstruction, res-
2 toration, or replacement is of such importance and urgency
3 that it cannot reasonably be deferred pending the enactment
4 of specific authorizing legislation or the making of an appro-
5 priation for such purposes. In order to carry out the pro-
6 visions of this section, such repair, reconstruction, restora-
7 tion, or replacement may be begun notwithstanding a lack
8 or an insufficiency of funds appropriated for such purpose,
9 where such lack or insufficiency can be remedied by the
10 transfer, in accordance with law, of funds appropriated for
11 another purpose.

12 **STATE AND LOCAL GOVERNMENT FACILITIES**

13 SEC. 252. (a) The President is authorized to make
14 contributions to State or local governments to repair, restore,
15 reconstruct, or replace public facilities belonging to such
16 State or local governments which were damaged or
17 destroyed by a major disaster, except that the Federal contri-
18 bution therefor shall not exceed 50 per centum of the net
19 cost of restoring any such facility to its capacity prior to
20 such disaster and in conformity with applicable codes and
21 specifications.

22 (b) In the case of any such public facilities which were
23 in the process of construction when damaged or destroyed
24 by a major disaster, the Federal contribution shall not exceed
25 50 per centum of the net costs of restoring such facilities

1 substantially to their prior to such disaster condition and of
2 completing construction not performed prior to the major
3 disaster to the extent the increase of such cost over the orig-
4 inal construction cost is attributable to changed conditions
5 resulting from a major disaster.

6 (c) For the purposes of this section "public facility"
7 includes any flood control, navigation, irrigation, reclama-
8 tion, public power, sewage treatment and collection, water
9 supply and distribution, watershed development, or airport
10 facility, any non-Federal-aid street, road, or highway, and
11 any other essential public facility.

12 **PRIORITY TO CERTAIN APPLICATIONS FOR PUBLIC FACILITY**

13 **AND PUBLIC HOUSING ASSISTANCE**

14 SEC. 253. In the processing of applications for assist-
15 ance, priority and immediate consideration may be given,
16 during such period, not to exceed six months, as the Pres-
17 ident shall prescribe by proclamation, to applications from
18 public bodies situated in major disaster areas, under the fol-
19 lowing Acts:

20 (1) title II of the Housing Amendments of 1955,
21 or any other Act providing assistance for repair, con-
22 struction, or extension of public facilities;

23 (2) the United States Housing Act of 1937 for the
24 provision of low-rent housing;

- 1 (3) section 702 of the Housing Act of 1954 for
2 assistance in public works planning;
3 (4) section 702 of the Housing and Urban Devel-
4 opment Act of 1965 providing for grants for public
5 facilities; or
6 (5) section 306 of the Consolidated Farmers Home
7 Administration Act.

8 RELOCATION ASSISTANCE

9 SEC. 254. Notwithstanding any other provision of law or
10 regulation promulgated thereunder, no person otherwise
11 eligible for relocation assistance payments authorized under
12 section 114 of the Housing Act of 1949 shall be denied such
13 eligibility as a result of a major disaster as determined by
14 the President.

15 TITLE III—MISCELLANEOUS

16 TECHNICAL AMENDMENTS

17 SEC. 301. (a) Section 701(a)(3)(B)(ii) of the
18 Housing Act of 1954 (40 U.S.C. 461(a)(3)(B)(ii)) is
19 amended to read as follows: "(ii) have suffered substantial
20 damage as a result of a major disaster as determined by
21 the President pursuant to the Disaster Assistance Act of
22 1970".

23 (b) Section 8(b)(2) of the National Housing Act
24 (12 U.S.C. 1706c(b)(2)) is amended by striking out of
25 the last proviso "section 2(a) of the Act entitled 'An Act

1 to authorize Federal assistance to States and local govern-
2 ments in major disasters, and for other purposes' (Public
3 Law 875, Eighty-first Congress, approved September 30,
4 1950)" and inserting in lieu thereof "section 102(1) of the
5 Disaster Assistance Act of 1970".

6 (c) Section 203(h) of the National Housing Act (12
7 U.S.C. 1709(h)) is amended by striking out "section 2(a)
8 of the Act entitled 'An Act to authorize Federal assistance
9 to States and local governments in major disasters and for
10 other purposes' (Public Law 875, Eighty-first Congress,
11 approved September 30, 1950), as amended" and inserting
12 in lieu thereof "section 102(1) of the Disaster Assistance
13 Act of 1970".

14 (d) Section 221(f) of the National Housing Act (12
15 U.S.C. 1715l(f)) is amended by striking out of the last
16 paragraph "the Act entitled 'An Act to authorize Federal
17 assistance to States and local governments in major disasters,
18 and for other purposes', approved September 30, 1950, as
19 amended (42 U.S.C. 1855-1855g)" and inserting in lieu
20 thereof "the Disaster Assistance Act of 1970".

21 (e) Section 7(a)(1)(A) of the Act of September
22 30, 1950 (Public Law 874, Eighty-first Congress, as
23 amended; 20 U.S.C. 241-1(a)(1)(A)), is amended by
24 striking out "pursuant to section 2(a) of the Act of Septem-
25 ber 30, 1950 (42 U.S.C. 1855a(a))" and inserting in lieu

1 thereof "pursuant to section 102(1) of the Disaster Assist-
2 ance Act of 1970".

3 (f) Section 16(a) of the Act of September 23, 1950
4 (79 Stat. 1158; 20 U.S.C. 646(a)) is amended by striking
5 out "section 2(a) of the Act of September 30, 1950 (42
6 U.S.C. 1855a(a))" and inserting in lieu thereof "section
7 102(1) of the Disaster Assistance Act of 1970".

8 (g) Section 408(a) of the Higher Education Facilities
9 Act of 1963 (20 U.S.C. 758(a)) is amended by striking
10 out "section 2(a) of the Act of September 30, 1950 (42
11 U.S.C. 1855a(a))" and inserting in lieu thereof "section
12 102(1) of the Disaster Assistance Act of 1970".

13 (h) Section 165(h)(2) of the Internal Revenue Code
14 of 1954, relating to disaster losses (26 U.S.C. 165(h)(2))
15 is amended to read as follows:

16 "(2) occurring in an area subsequently determined
17 by the President of the United States to warrant assist-
18 ance by the Federal Government under the Disaster
19 Assistance Act of 1970,".

20 (i) Section 5064(a) of the Internal Revenue Code of
21 1954 (26 U.S.C. 5064(a)), relating to losses caused by
22 disaster, is amended by striking out "the Act of September
23 30, 1950 (42 U.S.C. 1855)" and inserting in lieu thereof
24 "the Disaster Assistance Act of 1970".

25 (j) Section 5708(a) of the Internal Revenue Code of

1 1954 (26 U.S.C. 5708(a)), relating to losses caused by
2 disaster, is amended by striking out "the Act of Septem-
3 ber 30, 1950 (42 U.S.C. 1855)" and inserting in lieu
4 thereof "the Disaster Assistance Act of 1970".

5 (k) Section 3 of the Act of June 30, 1954 (68 Stat.
6 330; 48 U.S.C. 1681), is amended by striking out of the
7 last sentence "section 2 of the Act of September 30, 1950
8 (64 Stat. 1109), as amended (42 U.S.C. 1855a)" and in-
9 serting in lieu thereof "section 102(1) of the Disaster Assist-
10 ance Act of 1970".

11 (l) Whenever reference is made in any provision of law
12 (other than this Act), regulation, rule, record, or document
13 of the United States to the Act of September 30, 1950 (64
14 Stat. 1109), or any provision of such Act, such reference
15 shall be deemed to be a reference to the Disaster Assistance
16 Act of 1970 or to the appropriate provision of the Disaster
17 Assistance Act of 1970 unless no such provision is included
18 therein.

19 **REPEAL OF EXISTING LAW**

20 SEC. 302. The following Acts are hereby repealed:

21 (1) the Act of September 30, 1950 (64 Stat.
22 1109);

23 (2) the Disaster Relief Act of 1966, except section
24 7 (80 Stat. 1316); and

1 (3) the Disaster Relief Act of 1969 (83 Stat.
2 125).

3 **AUTHORIZATION OF APPROPRIATIONS**

4 SEC. 303. Except as provided otherwise in this Act,
5 there are hereby authorized to be appropriated such sums
6 as may be necessary to carry out the provisions of this Act.

7 **EFFECTIVE DATE**

8 SEC. 304. This Act shall take effect immediately upon
9 its enactment, except that sections 226(c), 237, 241, 252(a),
10 and 254 shall take effect as of August 1, 1969.

91st CONGRESS
2d Session

S. 3619

[Report No. 91-1157]

A BILL

To create, within the Office of the President, an Office of Disaster Assistance, to revise and expand Federal programs for relief from the effects of major disasters, and for other purposes.

By Mr. BAYH, Mr. BIBLE, Mr. BROOKE, Mr. CRANSTON, Mr. DODD, Mr. EAGLETON, Mr. EASTLAND, Mr. FONG, Mr. GRAVEL, Mr. HARRIS, Mr. HART, Mr. HARTKE, Mr. HUGHES, Mr. INOUYE, Mr. JACKSON, Mr. JAVITS, Mr. KENNEDY, Mr. MAGNUSON, Mr. McGEE, Mr. MCINTYRE, Mr. MILLER, Mr. MONDALE, Mr. MUSKIE, Mr. PELL, Mr. RANDOLPH, Mr. SPONG, Mr. STEVENS, Mr. TYDINGS, Mr. WILLIAMS of New Jersey, Mr. YARBOROUGH, and Mr. YOUNG of Ohio

MARCH 20, 1970

Read twice and referred to the Committee on Public Works

AUGUST 31, 1970

Reported with an amendment

Calendar No. 1175

91ST CONGRESS }
2d Session }

SENATE

{ REPORT
(No. 91-1157)

DISASTER ASSISTANCE

REPORT

OF THE

COMMITTEE ON PUBLIC WORKS
UNITED STATES SENATE

TO ACCOMPANY

S. 3619

TOGETHER WITH INDIVIDUAL VIEWS



AUGUST 31, 1970.—Ordered to be printed

U.S. GOVERNMENT PRINTING OFFICE

WASHINGTON : 1970

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Calendar No. 1175

91ST CONGRESS }
2d Session }

SENATE }
 }

REPORT
No. 91-1157

DISASTER ASSISTANCE

AUGUST 31, 1970.—Ordered to be printed

Mr. BAYH, from the Committee on Public Works,
submitted the following

REPORT together with INDIVIDUAL VIEWS

[To accompany S. 3619]

The Committee on Public Works, to which was referred the bill (S. 3619) having considered the same, reports favorably thereon with an amendment and unanimously recommends that the bill, as amended, do pass.

PURPOSE OF THE LEGISLATION

The purpose of S. 3619, as reported by the Committee on Public Works, is to provide a permanent, comprehensive program for Federal disaster assistance and to strengthen the organization and administrative machinery needed to implement the program in an orderly and effective manner. It will enable the Federal Government, without further specific Congressional action, to extend needed emergency relief and recovery assistance to individuals, organizations, businesses, and States and local communities suffering from a major disaster.

The bill authorizes Federal assistance for private as well as public losses suffered in a *major disaster* which the President determines to be of "sufficient severity and magnitude to warrant disaster assistance by the Federal Government to supplement the efforts and available resources of States, local governments and relief organizations in alleviating the damage, loss, hardship or suffering caused thereby and respecting which the Governor of any State in which such catastrophe occurs or threatens to occur certifies the need for disaster assistance under this Act and gives assurance of expenditure of a reasonable amount of the funds of such State, its local governments, or other agencies for the same or similar purposes with respect to such catastrophe."

As reported by the Committee the bill consolidates into one Act and repeals the three major existing Federal disaster assistance laws: the basic 1950 Act (P.L. 875, 81st Congress), the 1966 Disaster Relief Act (P.L. 89-769), and the Disaster Relief Act of 1969 (P.L. 91-79). This consolidation and the proposed broadening and enlargement of existing statutory provisions are designed to take into account the experience gained by the Congress and the Federal and State governments from the devastating catastrophe caused in August 1969 by Hurricane Camille, the largest known destructive force of wind and water ever to strike the United States, as well as the lessons learned from the tornado which struck Lubbock, Texas, in May this year.

Not only do private individuals who are suddenly and totally deprived of the means of providing themselves the basic necessities of life require emergency existence—food, clothing, shelter, and medical care—but also longer-term recovery assistance must be provided to such individuals, the sources of their employment and the communities in which they live.

The bill seeks to coordinate disaster relief and recovery efforts of all appropriate Federal, State and local authorities, and relief and disaster assistance organizations under a single, permanent law, so that when disaster strikes anywhere in the country—as inevitably it will—the full resources of both public and private sectors may be brought to bear to meet the immediate challenge and to undertake the long, and difficult costly task of repair, rehabilitation, reconstruction and replacement.

NEED FOR LEGISLATION

Although Congress has enacted a number of beneficial disaster relief laws during the past twenty years, most of these have been limited in scope, temporary in duration and retroactive in response to particular catastrophes.

Moreover, the basic disaster assistance act of 1950 (P.L. 875, 81st Congress) was directed almost entirely toward the public sector; even though amendments have been added from time to time, especially in 1966 and 1969, which were designed to extend a helping hand to families and businesses, the severe financial losses and personal hardships often incurred by many helpless victims of major disasters are compensated by minimal assistance only.

Understandably, much of the present disaster relief legislation has been piecemeal in nature. Through the years new provisions have been added in accordance with immediate demonstrated needs in reaction to specific situations. Moreover, the bulk of the 1969 Act (P.L. 91-79), while general in scope, will expire on December 31, 1970. Scheduled to terminate on that date are important sections dealing with disaster assistance for the repair and reconstruction of roads and highways not on any Federal-aid system; timber sale contracts; the \$1,800 forgiveness feature of Small Business Administration, Farmers Home Administration and Veterans Administration loans; expanded authority to provide temporary dwelling; food stamp allotments for low-income families; and unemployment assistance for those not eligible to receive compensation under State programs.

The advantages to be gained from codifying the many, diverse disaster assistance statutes, as well as the need to extend the life of the essential provisions of the 1969 Act, by themselves are sufficient justification for a careful examination by Congress of the whole

matter of disaster relief. But there is an even more compelling reason for prompt and vigorous action by the national government in this field. Recent hearings conducted by the Senate Special Subcommittee on Disaster Relief on the Federal role in providing assistance to the thousands of people and scores of communities in Mississippi, Louisiana, Alabama, Virginia, and West Virginia, which suffered devastating losses from Hurricane Camille, have convinced members of the Committee that certain new approaches should be considered.

The physical damage caused by Hurricane Camille and the human problems it created, while doubtless more extensive and longer lasting, were almost identical in kind with those following other major disasters. Tornadoes, earthquakes, floods, hurricanes and other catastrophes have occurred, and no doubt will continue to occur, in astounding numbers in the United States. During the last twenty years alone the havoc caused by these natural phenomena has been so great that the President has declared the existence of major disasters in more than 280 areas, an average of about 14 each year. During the last few years the number has been considerably higher than the average; for instance, there were 25 major disaster declarations in both 1964 and 1965, 19 in 1968, and an all time high of 29 was reached in 1969. So far in 1970 there have been 11 such declarations as of August 4, 1970.

While loss of life and limb has generally decreased, property losses attributed to violent acts of nature have greatly increased through the years. The development of sophisticated weather forecasting and warning techniques and the ability to track and to map out the expected path of great storms have permitted the evacuation of large numbers of people from endangered territories who otherwise might have been killed or injured.

On the other hand, the concentration of large and expensive residential, commercial and industrial facilities in relatively small areas, coupled with general escalation of overall values, has meant huge increases in property losses incurred by certain major disasters. For instance, the terrible Galveston flood at the beginning of the 20th century cost more than 6,000 lives but only \$30 million property damage; in contrast, it has been estimated by the Office of Emergency Preparedness that 69 years later Camille caused 248 deaths but about \$1.5 billion in property damages, while early estimates from Hurricane Celia in Corpus Christi, Texas, in August this year indicate only 9 deaths and an estimated \$233 million in property losses.

The fact that economic loss attributed to natural catastrophes has soared so dramatically points to the need for new approaches to the problem.

During the last five years more than 100 major disasters have been declared by the President of the United States. The response by Congress and our people has been highly praiseworthy; when fellow citizens, or indeed those in foreign countries, have been stricken by a great catastrophe, the American public has always been compassionate and generous. That does not mean, however, that all needs have been met nor that improvements cannot be made.

The Committee's hearings this year have disclosed certain gaps in legislative authority and some deficiencies in administrative organization and operation which should be rectified. Among the most frequently voiced significant suggestions, complaints, and needs relating

to disaster assistance programs which have come to the attention of the Special Subcommittee on Disaster Assistance are the following:

1. delays and problems encountered in the provision, distribution, and leasing of temporary housing;
2. the insufficiency of insurance coverage and slowness in settling insurance claims;
3. the need for establishing immediate, effective communication systems;
4. inadequate centralized, coordinated administration and supervision;
5. relief for local governments not able to meet bonded indebtedness, matching requirements under Federal grant-in-aid programs, or essential public services, because of diminished tax base;
6. advantages to be gained from previously established State disaster plans providing systematic programs for refugee evacuation, emergency food and shelter, and longer-range assistance to individuals, organizations, and communities;
7. need for trained emergency support teams with capability of immediate deployment in major disaster areas;
8. need for emergency public transportation systems to provide access to such vital places as governmental offices, supply centers, stores, post offices, schools and major employment facilities;
9. charges of inequitable and discriminatory treatment, by both public and private agencies;
10. failure to recognize officially more than one charitable organization for the purpose of distributing goods and commodities provided by the United States;
11. lack of adequate dissemination of information and clear explanation about available benefits; need for assistance in the preparation of simplified application forms for various programs; and need for legal assistance for low-income disaster victims; and
12. larger Federal assistance to those whose homes, farms, and places of business have been damaged or destroyed.

The Committee is pleased to note that Federal agencies under the leadership of the Office of Emergency Preparedness brought the full force and scope of the 1969 Disaster Relief Act into action in the disaster caused by the Lubbock tornado. The agencies obviously had taken advantage of the lessons learned in Camille, and all indications are that they are continuing this high level of response in the aftermath of Hurricane Celia.

Congress cannot foresee nor provide in advance for every contingency nor for all the serious problems which inevitably arise from any major disaster. Nevertheless, every effort should be made to establish by law full authority for the President and the various Federal departments and agencies to respond quickly, efficiently and without unnecessary restrictions when confronted by a major disaster. It is no longer either expedient or wise for Congress to attempt to enact separate relief bills each time a major disaster occurs. Until 1964, most Federal disaster relief legislation had been given general application, although it authorized assistance primarily for public losses. Since then, however, Congress has enacted special bills for aid after the Alaskan earthquake, the Pacific Northwest floods, and Hurricane Betsy. The 1966 and 1969 acts did provide additional aid for the

private sector, but as mentioned earlier much of the latter will no longer be in force after this year.

The Committee believes it is time to bring together in one act the various features of disaster legislation which Congress has adopted from time to time and to supplement them with additional assistance and directions which testimony has indicated to be essential.

The following table shows the provisions of existing law that are extended or amended by S. 3619 and those which have been added to meet other needs of disaster victims and their communities.

PROVISIONS IN EXISTING LAW THAT ARE EXTENDED OR AMENDED IN S. 3619		PROVISIONS THAT ARE NEW IN S. 3619		
Sec.		Sec.		
101	Findings and Definitions	202	Emergency Teams	Support
201	Federal Coordinating Officer	204	Use of Local Firms and Individuals	
203	Cooperation of Federal Agencies	205	Federal Grant-in-aid Programs	
206	State Disaster Plans	207	Coordination of Relief Organizations	
208	Duplication of Benefits	209	Non-Discrimination	
210	Advisory Personnel	221	Pre-Disaster Assistance	
211	Disaster Warnings	222	Emergency Communications	
224	Debris Removal	233	Emergency Public Transportation	
225	Fire Suppression Grants	235	Age of Applicant for Assistance	
226	Temporary Housing	237	Aid to Major Sources of Employment	
231	Small Business Disaster Loans	239	Legal Services	
232	FHA Emergency Loans	241	Community Disaster Loan Fund	
233	VA Loans	244	Minimum Standards for Residential Structure Restoration	
234	Disaster Loan Interest Rate	252(a)	Restoration of damaged or destroyed State or local facilities	
236	Federal Loan Adjustments	254	Relocation Assistance	
238	Food Coupons and Distribution			
240	Unemployment Assistance			
242	Timber Sale			
243	Public Land Entrymen			
251	Restoration of Federal Facilities			
252(b)	Completion of damaged unfinished State and local projects			
253	Priority for certain applications for grants			

COMMITTEE ACTION

The Special Subcommittee on Disaster Relief this year conducted ten full days of public hearings on the Federal response to Hurricane Camille: three in Biloxi, Mississippi; two in Roanoke, Virginia; and five in Washington. Oral testimony was received from 233 witnesses.

Taking fully into account what the Subcommittee had learned in its field hearings in Mississippi and Virginia during January and February, the Chairman of the Subcommittee, Senator Bayh, on March 20 introduced S. 3619 with 26 cosponsors. On April 23 Senator Cooper introduced the Administration bill, S. 3745. At hearings on April 27-29 the Subcommittee heard testimony from representatives of 12 departments and agencies of the Federal Government both on their performance during the Camille disaster and its aftermath and on their views concerning the pending legislation.

Under instructions given by the Subcommittee Chairman at the end of the final hearing the staff prepared a print incorporating provisions from both S. 3619 and S. 3745, as well as numerous technical amendments suggested by the Federal agencies charged with administering the law.

The following is a list of the provisions of S. 3745 incorporated, in whole or in part, in S. 3619 as reported:

Provisions of S. 3745 incorporated in S. 3619

The title of the Act was changed from the "Omnibus Disaster Assistance Act" (S. 3619) to the "Disaster Assistance Act of 1970."

Section 10 of S. 3745 relating to Federal interdepartmental groups was included as Section 203(e).

Section 9 of S. 3745 relating to Federal agency coordination by the President was included as Section 203(g).

Section 3(f) of S. 3745 relating to the continuing improvement of State disaster assistance plans was incorporated in S. 3619 as Section 206(e).

Section 6 of S. 3745, the predisaster assistance section was included in S. 3619 as Section 221.

Section 3 of S. 3745 relating to disaster loan interest rates was included as the interest rate section of S. 3619, Section 234; and the proviso that a loan not be denied on the basis of age was also included.

Section 5 of S. 3745 setting forth the Community Disaster Loan Fund's interest rate, maturity deferment payment, computation factors for tax values, and monies transferable for the disaster fund was incorporated in the Community Disaster Loan Fund, Section 228.

Section 3(a) and 3(b) of S. 3745 providing for a \$2,500 cancellation and a higher interest rate for SBA and Farmer's Home Administration disaster loans were included as Sections 231(a)(1) and 232 in S. 3619.

In executive session on June 24, the Subcommittee adopted a major revision of the print. It eliminated from S. 3619, Titles II and IV.

Title II would have combined the major disaster relief functions of the Office of Emergency Preparedness and all the functions of the Office of Civil Defense and, at the discretion of the President, any disaster relief function of any other agency, into a new Office of Disaster Assistance. Administration spokesmen made strong representations to the Subcommittee that the executive branch of the Government should be allowed to organize its disaster relief activities, and the Subcommittee concurred. It is hoped that the Congress, through the Committees directly concerned, will give early consideration to a broad, national major disaster insurance program.

Title IV would have established a National Major Disaster Insurance Program. The Subcommittee recognized that this Title was properly within the jurisdiction of the Committee on Banking and Currency and agreed to strike it from S. 3619 after receiving voluminous testimony on the insurance needs and problems of disaster victims and the views of the insurance industry.

The Subcommittee also approved amendments offered by Senator Spong, relating to private disaster assistance organizations; by Senator Gravel providing legal services for low-income disaster victims (Section 239); and by Senator Dole containing additional Administration proposals.

The full Committee in executive session on August 12 approved the Subcommittee recommendations and also gave careful attention to several amendments offered by Senators Tower and Yarborough designed to provide relief for the victims of the tornado which struck Lubbock, Texas, on May 11, 1970. The Committee approved in modified form two amendments by Senator Yarborough, No. 774, which is included in Section 226 of the bill as reported, and No. 783, which is contained in Section 204. Amendment No. 781 by Senator Yarborough was laid aside since the bill reported from Subcommittee already contained the Gravel amendment relating to legal services. Amendment No. 771, offered by Senator Tower, was approved in modified form.

In accordance with a Senate colloquy between Senator Randolph, Chairman of the Committee on Public Works, and Senator Sparkman, Chairman of the Committee on Banking and Currency, on April 20, 1970, the bill S. 3619, after being ordered reported, was referred to the Banking Committee for its comments, proposed amendments or suggested report language on those sections of the bill over which that Committee has prime jurisdiction: housing, small business, and VA direct loans.

SENATE COMMITTEE ON BANKING AND CURRENCY AMENDMENTS

The Committee on Banking and Currency met in executive session on August 25, 1970, and, after considering the bill as reported from the Committee on Public Works, recommended certain amendments. A letter from the chairman of the Banking Committee describing these amendments follows:

COMMITTEE ON BANKING AND CURRENCY,
U.S. SENATE,
Washington, D.C.

Hon. JENNINGS RANDOLPH,
Chairman, Committee on Public Works,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: On August 25, 1970, the Senate Banking and Currency Committee considered the housing and small business aspects of your committee's bill, the Disaster Assistance Act of 1970.

After reviewing these provisions, we recommend the following changes be made in the bill prior to its being reported to the Senate:

1. On page 17, section 231(a), after the words "major disaster" insert the words "as determined by the President or a disaster as

determined by the Administrator." This will make the provisions of section 231 of your bill apply to those disasters declared by the Administrator of the Small Business Administration as well as those major disasters declared by the President.

2. On page 21, section 234: (1) after the word "Act" insert "or under the authority of section 7(b) of the Small Business Act." This provision would make the interest rate which the Small Business Administration charges on its economic disaster loans the same as those it charges under this bill on physical disasters;

(2) Insert "236(b)". This will make the provision of section 236(b) carry the interest rate formula contained in this section;

(3) Also increase the 1 percent figure in the interest rate formula to 2 percent thereby giving the disaster victims a greater break in their interest rate to be charged under this bill.

3. On page 20, delete section 233 and insert language which would treat veterans with direct VA loans who had property destroyed or damaged which secured these loans in the same manner as other victims of disaster. This new language would also give the Administrator of Veterans Affairs the right to forbear payments on the veterans loans at his discretion.

4. On page 22, section 236(b), delete the reference to interest rate. The interest rate under this section would be fixed at the formula set out in section 234 of the bill. This is recommended in order to make all the disaster provisions under this bill affecting HUD and SBA carry the same interest rate.

I am attaching copies of these amendments.

* * * * *

With best wishes, I am
Sincerely,

JOHN SPARKMAN, *Chairman.*

The principal effects of the amendments adopted by the Banking Committee are (1) to make uniform the interest rates on all S.B.A. and H.U.D. disaster loans, (2) to liberalize the interest rate by allowing the Secretary of the Treasury in determining the rate to take into account the current market yield on 10-12 year U.S. obligations less not to exceed 2 percent per year, (3) to qualify for assistance disaster areas determined by the Administrator of S.B.A.; and (4) to treat veterans having VA direct loans in the same manner as other disaster victims. These amendments, which are explained in detail later in this report, are all included in the bill as reported.

EXPLANATION OF THE PROVISIONS OF S. 3619

TITLE I—FINDINGS AND DECLARATIONS, DEFINITIONS

Under this Title Congress recognizes that loss of life, human suffering, loss of income, property loss and damage caused by a major disaster disrupt the normal functions of government and the community and adversely affect individuals and families with great severity. Special measures to expedite provision of aid and assistance and emergency welfare services and reconstruction and rehabilitation of devastated areas are declared necessary.

Accordingly, the Congress declares its intention to provide an orderly and continuing means of alleviating the suffering and damage which result from such a disaster by (1) revising and broadening existing disaster relief programs, (2) encouraging States to develop comprehensive relief plans and (3) achieving greater coordination and responsiveness in the administration of Federal disaster assistance programs.

The definition of a major disaster, as used in the bill, is the same as that provided in Public Law 875, 81st Congress, with the addition of the words "tornado, high water, wind-driven water, and tidal wave." As in previous disaster relief laws, the provisions of this bill are applicable only in the case of a disaster which the President has determined to be of "sufficient severity and magnitude to warrant disaster assistance by the Federal Government to supplement the available resources of the State, local governments and private relief organizations * * *".

TITLE II—THE ADMINISTRATION OF DISASTER ASSISTANCE

Title II renews and strengthens several programs enacted in previous disaster laws and provides a number of new kinds of aid. Present authorization for appointment of a Federal coordinating officer; State disaster plans; debris removal from private property; temporary housing; subsidized loans to homeowners, farmers and businessmen; food coupons; unemployment compensation; repair, reconstruction, restoration or replacement of Federal facilities; assistance in completing construction of damaged State and local projects; loan adjustments; timber sale contracts; and public land entry—several of which will expire at the end of this year—are extended indefinitely, although in some cases in modified form.

In response to extensive and convincing evidence of need for other types of assistance, the bill authorizes entirely new programs including a Community Disaster Loan Fund; special aid to enterprises constituting major sources of employment; repair, restoration, reconstruction or replacement of essential State and local public facilities; aid to individuals facing eviction from their homes; a waiver of restrictive conditions for Federal grant-in-aid; preference to local firms and businesses in recovery work; and priority for public facility and public housing assistance applications.

Assistance provided under Title II is classified into four groups: first, general provisions applicable to all major disaster relief; second, emergency relief to be made available **immediately** after a declaration of a major disaster by the President; third, recovery assistance for longer-range restoration and rehabilitation of a stricken area; and fourth, restoration of public facilities, Federal, State and local.

PART A—GENERAL PROVISIONS

The first category, General Provisions, requires the President to designate a major disaster area and to appoint a Federal coordinating officer to operate under the Office of Emergency Preparedness in such area. It also authorizes the Director to form emergency support teams and personnel to assist the Federal coordinating officer in carrying out his responsibility.

Congress stipulated in the 1969 Disaster Relief Act that the President shall designate a Federal coordinating officer who will be responsible for overseeing all relief activities in a particular disaster area. Testimony presented to the Special Subcommittee on Disaster Relief in recent months clearly bears out the need for such a unifying authority. Accordingly, Section 201 of the bill not only continues the requirement for such a coordinating officer but also strengthens and expands his role. Immediately, after declarations of a major disaster, the appointed Federal coordinator is directed to make an appraisal of the type of relief most urgently needed, establish field offices, coordinate the administration of relief with private organizations which agree to operate under his advice and direction, and take any action he deems necessary to assist local citizens or public officials to obtain prompt assistance to which they are entitled.

Cooperation of Federal Agencies

Section 203, providing for cooperation of Federal agencies in mobilizing response to a major disaster, is the key section of the bill. Under it all Federal agencies are authorized, upon direction of the President, to provide disaster assistance in a number of ways. Based largely on a similar provision of Section 3 of Public Law 81-875, the first general disaster relief law enacted in 1950, the powers conferred therein are in this bill clarified, extended and expanded. All Federal agencies are enabled to utilize or lend to State and local governments their facilities, personnel, supplies and equipment, with or without compensation.

It is the intent of the Committee that actions of the Federal Agencies, under this section, shall be coordinated by the Director.

Federal agencies can also distribute food, medicine and other consumables through the American National Red Cross or other relief organizations, and render emergency aid through disaster assistance organizations. Likewise, they may donate or lend surplus government equipment and supplies.

Emergency work essential to protect and preserve life and property can be performed by Federal agencies on public or private lands or waters. This emergency work is to include clearance and removal of debris and wreckage, repair or restoration to service of public facilities belonging to State or local governments, provision of emergency shelter for individuals and families, and contributions to State or local governments to perform the above-mentioned types of work.

The Federal contribution to the emergency repair or restoration to service of State and local facilities essential for the protection and preservation of life and property shall not exceed the net cost of restoring such facilities to their predisaster capacity and to a minimum safe, usable condition.

Emergency work performed on public or private lands or waters does not preclude additional Federal assistance under other provisions of the Act.

Reimbursement of a Federal agency for services or supplies it furnishes is to be deposited to the credit of its appropriation for these items. A disclaimer clause exonerates the United States Government from any claim based on the exercise, performance or failure to perform any discretionary act in carrying out emergency assistance.

There is provision for establishing special assistance groups, inter-departmental or otherwise, for employment of additional temporary personnel, for Presidential coordination of all Federal agency disaster relief activities, and for periodic Presidential revision of such activities.

Distinctions Between Sections 203 and 252

The Committee wishes to draw a careful distinction between the provisions for immediate emergency repair and restoration to service of public facilities under Section 203 and the long-term repair, restoration, reconstruction or replacement of facilities provided under Section 252. The emergency work should be designed to provide essential public services until such time as permanent work can reasonably be accomplished.

The net cost of emergency work performed under Section 203(4)(b) in order to restore a facility to its predisaster capacity will be paid for 100% by the Federal Government, either directly through the appropriate Federal agency or indirectly through contributions to the State or local government which does the work itself or through contract.

The net cost of reconstruction carried out under Section 252(a) in order to restore a facility to its predisaster capacity and in conformity with current codes and specifications will be paid for 50% by the Federal Government and 50% by the State or local government concerned.

The provisions for emergency repair or restoring to service under Section 203 require that the State or local public facility be essential for the protection and preservation of life and property. The types of facilities that may be rebuilt under Section 252 are specifically named and include "any other essential public facility".

The Committee intends that work performed pursuant to Section 203 shall be the work which must be done if a community suffering from a major disaster is to be revived and provided with the services and facilities essential to protect and preserve the lives and property of its citizens.

In the emergency phase immediately following a major disaster, a public facility which is in need of repair or restoration to service shall be, when the emergency work is done, able to perform its function to the same extent as it did before the disaster.

In Section 203(4)(b) the words "restoring to service" are the critical words in the mandate and direction given to the Office of Emergency Preparedness.

Experience under existing law providing for "emergency repairs" and "temporary replacement" of public facilities has shown a strong tendency to stretch the meaning of the qualifying adjectives so as to permit permanent reconstruction of damaged or destroyed facilities, using 100% Federal funds. For example, it has been argued that it is wasteful, and indeed almost impossible, to replace a sewer system temporarily, and therefore it is more economical and sounder practice to replace a damaged sewer system with a modern one suitable to present-day needs.

The Committee agrees that the existing language is too restrictive, and has therefore in Section 252 added a new program through which the Federal Government will contribute 50 per centum of the net cost

of restoring any damaged or destroyed State or local facility to its predisaster capacity and in conformity with currently applicable codes and specifications. This is supplementary to the emergency provisions of Section 203, except that the total Federal costs of emergency work under Section 203 and of permanent work under Section 252 may not exceed one hundred percent of the overall permanent project costs. The past practice of "grants in lieu" for emergency work is discontinued.

There is precedent for the 50-50 matching formula in the Disaster Relief Act of 1969 which applied it to the reconstruction of non-Federal aid highways.

Use of Local Firms and Individuals

Section 204 provides that in the expenditure of Federal funds, for example, for debris clearance and reconstruction of public facilities, preference is to be given to persons or firms who work or do business in the disaster area. One outstanding feature of the aftermath of a great disaster is lack of ready cash. A Federal assistance program should be designed to revitalize the community by infusions of cash through the use of local people and business firms.

Federal Grant-in-aid Programs

Under Section 205 the conditions for receipt of Federal grants can be waived for the duration of a disaster proclamation if the inability of the State or local authorities to meet such conditions resulted from the disaster. Such conditions would not include payment of the local matching share of Federal grant-in-aid programs, for which loans could be available under Section 241, but would include conditions involving the terms of such payments.

Section 205 applies only to regular categorical Federal grant-in-aid programs. It is not intended to apply to the Federal contribution under Section 252 of the Act or to any other OEP grants provided under the Act.

State Disaster Plans

Section 206 clarifies and extends the provisions of the 1969 disaster relief act authorizing the President to make grants up to \$250,000 to any State for not more than 50% of the cost of developing "comprehensive plans and practicable programs for assisting individuals suffering losses as a result of a major disaster."

The original intent of this section, dating back to S. 1861, introduced in 1965, was to assist States in developing a complete and thorough blueprint outlining in detail the necessary preparation, organization, procedures, supplies, equipment and other requirements which would enable a State to do everything possible to minimize the terrible effects of a major disaster and to bring restoration of the normal life and activities in any disaster area. However, in the formulation of the final language of Section 8 of P.L. 91-79, the wording appeared to limit its scope to plans and programs which would assist only "individuals" suffering losses. This has been narrowly interpreted by some to mean that State plans developed under this section cannot

apply to assistance to local governments, public agencies or business enterprises.

In order to resolve any doubts about this matter, Section 206 authorizes the President to make grants to States to develop "comprehensive plans and practicable programs for preparation against major disasters, and for relief and assistance for individuals, businesses and governments." In addition the Committee has authorized the President to make 50% matching grants not exceeding \$25,000 a year to any State to improve, maintain and update its State disaster assistance plan.

Although it is not possible to predict when or where catastrophes may occur, it seems only good sense to the Committee for State governments to do as much advance planning and to prepare themselves as much as possible in order to cope with the eventuality that their territory and population may be subjected to a major disaster. A number of States have already pioneered in this field, formulating at least a preliminary program, and several others have indicated intention to proceed with application for assistance.

The Director is required, from time to time, to make a report to the President for submission to the Congress, containing his recommendations for Federal programs to implement and fund comprehensive disaster relief plans and for the Federal role in disaster relief activities.

Use and Coordination of Relief Organizations

Section 207 authorizes the Director to arrange with the American National Red Cross, the Salvation Army, the Mennonite Board of Missions and Charities, and other relief or disaster assistance organizations for the use of their personnel and facilities in the distribution of medicine, food, supplies or other material or for the restoration, rehabilitation or reconstruction of community services and facilities, if he finds that this is necessary. This will resolve certain questions brought to the attention of the Subcommittee about the power of the national government to utilize officially the manpower, supplies and skills which private organizations, other than the Red Cross, might be willing to provide. Considerable testimony has been presented illustrating the tremendously helpful assistance which the Salvation Army, the Mennonite Board and others have rendered following disasters. There is no reason why the Director should lack authority to recognize them officially and call upon their services for disaster assistance.

On the recommendation of Senator Spong the Committee has also included in this section "disaster assistance organizations" which may volunteer their personnel and facilities in the restoration, rehabilitation, or reconstruction of community services and essential facilities. "Operation Bulldozer" managed by the Association of General Contractors and well-drilling operators of the National Disaster Committee of the National Water Well Association were cited to the Committee as such "disaster assistance organizations." Any relief or disaster assistance organization entering into an agreement with the Director for this purpose will have to comply with regulations issued under Section 208 referring to duplication of benefits and under Section 209 pertaining to impartial and non-discriminatory administration.

Duplication of Benefits

Section 208 is designed to prevent any person, business concern or other entity from receiving duplicate disaster relief benefits. It will be the duty of the Director to be sure that financial assistance will not be given for any major disaster loss for which compensation has been received from any other Federal program, insurance policy or other source. This, however, will not preclude Federal assistance for any part of a loss which has not been compensated otherwise. Whenever the Director determines that a person or business has received assistance from more than one source which exceeds the amount of the loss, he will direct that person or business to reimburse the Federal Government for the part he deems excessive but not in excess of the amount of Federal assistance received.

Non-discrimination in Disaster Assistance

Allegations have been made that there were some instances of inequitable and discriminatory treatment, especially after the first emergency period, in providing aid following Hurricane Camille. Such charges have been levied against both public and private agencies. Certainly, differential treatment in the handling of disaster assistance should not be tolerated.

In order to assure that aid will be provided to all, irrespective of their personal background or status, Section 209 of the bill authorizes the Director to establish regulations which will be applicable to the personnel and procedures of both public and private agencies involved in handling Federal disaster assistance programs. These guidelines will stipulate that there shall be no discrimination on the grounds of race, color, religion, nationality, sex, age, or economic status in distributing supplies, processing applications or managing other relief activities.

Advisory Personnel

The Director is authorized by Section 210 to assign advisory personnel he deems to be necessary. To meet a need often expressed to the Subcommittee, he also can upon request send trained and experienced representatives to advise State or local government officers about various kinds of Federal programs and procedures. The Subcommittee has been informed that in smaller communities, especially, where the chief executives often are part-time officers with little experience in or knowledge about national programs, it would be extremely helpful if well-informed consultants could be provided who would work closely with local governments when a major disaster overtakes them. These representatives, of course, will be strictly advisory and will be assigned only if the Director believes they will help enable communities to apply for and utilize fully various assistance programs.

Disaster Warnings

In Section 211 the President is authorized to provide needed warnings to governmental authorities and the civilian population in areas threatened by imminent natural disasters.

PART B—EMERGENCY RELIEF

Predisaster Relief

In order to avert or diminish the impact of disasters in advance, Section 221 authorizes the President to use Federal resources to assist any State or local government in circumstances which clearly indicate the imminent occurrence of a major disaster.

Emergency Communications

Section 222 gives the Director authority to establish emergency communications in any major disaster area. From testimony on Hurricane Camille the Committee learned that one of the greatest deficiencies immediately following the disaster was the lack of adequate communications both within the disaster area and with the outside. The Committee believes the Director should take the necessary steps to provide effective communications in emergency situations, including mobile radios, area-wide networks, pools of battery-operated portable equipment and any other appropriate devices and facilities.

Emergency Transportation

Emergency public transportation service in a major disaster area can be provided by the Director under Section 223. The purpose is to enable local residents who have lost all means of transportation to make necessary trips to distant governmental offices, supply centers, employment centers, post offices, schools, stores and other similar places of business. The emergency service will be provided only until regular public transportation is restored, or for a maximum period of one year after the disaster.

Although the number of major disasters in which there would be need for such temporary transportation system may be few, the Subcommittee was impressed with the plight of many residents of the Mississippi Gulf Coast who found it very difficult to transact business, make applications for assistance, pick up food and clothing or talk with officials. When neighborhood shopping centers and stores have been destroyed, private automobiles have been damaged beyond repair, and public buses are no longer running, those living in isolated removed sections of large communities or in rural areas have great difficulty in carrying on normal life activities. In such limited cases the Committee believes the Director should be authorized to provide temporary transportation until regular service can be restored. The type, frequency, routes and fares charged, if any, for such service are left to the discretion of the Director.

Debris Removal

Under Section 224 grants can be made by the President, whenever he determines it to be in the public interest, to any state or local government for the removal from privately owned lands or waters of debris deposited as a result of a major disaster. State or local governments will in turn be authorized to reimburse any person for actual debris removal costs, less any salvage value of the debris. This pro-

vision is almost identical with section 14 of P.L. 91-79, now scheduled to terminate on December 31, 1970.

The Committee intends that the broadest possible interpretation be given the term "in the public interest". Considerations in determining the public interest should include threats to health, well-being or safety of the public; fire or flood hazards; economic recovery of the community; restoration of the land to a productive condition; and effects on the overall environment, including the appearance of the community.

Fire Suppression Grants

The 1969 Disaster Relief Act authorized grants and loans to States to assist in suppressing any fire on publicly- or privately-owned forest or grass lands which might threaten to become a major disaster. Congress took this action after it had been pointed out that a small conflagration, beginning either on public or private property, could become a major fire threatening large areas if there were not sufficient manpower and equipment to quell it at the start. Such a holocaust would pay no attention to jurisdictional or ownership boundary lines and could in a short time devour huge quantities of timber and grass-lands. Although the U.S. Forest Service has a number of able, well-trained firefighters and extensive equipment, this is often not true on privately-owned tracts and sometimes on State and local lands as well. To help reduce great losses from fires of the type which desolated thousands of acres of timber in the Northwest during 1967, Section 225 of the bill re-enacts the grant provision of the 1969 act. Provision for loans for this purpose has been omitted on the basis of information that only grants are used.

Temporary Housing Assistance

In order to provide dwelling accommodations for individuals and families whose homes have been made uninhabitable by a major disaster, Section 226 authorizes the Director for this purpose to use any unoccupied housing owned by the United States, to arrange with a local public housing agency for any unoccupied housing units, or to acquire, either by purchase or lease, already existing dwellings. Mobile or specially fabricated dwellings can be installed complete with utilities on sites furnished without charge to the United States by a State or local government or by the owner or occupant of the site. After an initial 90-day rent-free period, rental collected for occupancy of these temporary dwelling accommodations can be adjusted or completely waived, according to the financial ability of the tenants, for as long as one year from date of occupancy, but in no case will disaster victims be required to pay more than 25 percent of the family monthly income for housing expenses, including the amortization of debt on a destroyed or damaged house.

The only significant difference between Section 226 (a) and (b) of the bill and Section 10 of P.L. 91-79 is that the authority conferred on the Director to acquire housing includes the right to purchase as well as to lease dwellings or mobile homes. The three previous disaster relief bills (S. 1861, S. 438 and S. 1685) would have authorized the purchase of housing for this purpose, and each of the two bills which passed the Senate in 1965 and 1969 included such a provision. Because the cost

to the Government of leasing mobile homes from manufacturers or distributors for a year is very high, it may be less expensive under certain circumstances to purchase them outright. They can be either stockpiled or sold later, either to the disaster victim-occupant or on the open market. The fact that mobile homes have recently become eligible for Government-insured loans may facilitate their disposal, perhaps in some cases to the disaster victim himself.

More important, however, is the time which may be gained in some disasters by immediate purchase of temporary dwellings. Several weeks elapsed before mobile homes in any quantity were brought into the Gulf Coast areas most damaged by Camille, and there were many reports of other delays in installing and connecting them up promptly with public services. Some of this can be attributed to poor road conditions and destroyed facilities, but considerable time was lost through advertisement for bids, negotiating and letting contracts, and manufacturing and shipping units from factories hundreds of miles away. At the same time, it has been estimated that within a hundred miles or so of the disaster area there were local dealers who had hundreds of mobile homes which could have been purchased and moved into place quickly if the agency had been authorized to do so. The Committee believes that the Director should be empowered to purchase such temporary dwellings; he would use that power only if in his opinion it were more in the public interest to do so.

The Committee has added a new subsection (c) which is a modified form of an amendment (No. 774) proposed by Senator Yarborough following the tornado in Lubbock, Texas. It authorizes the Director to provide temporary assistance in the form of mortgage or rental payments to individuals who have lost their jobs or are otherwise suffering financial hardship due to a major disaster and who have received written notice of dispossession or eviction from their residence because of foreclosure of a mortgage or lien, cancellation of any contract of sale or termination of a written or oral lease. This assistance is to be provided only for a period not exceeding one year or for the duration of financial hardship, whichever is lesser. The Committee intends that the term "written notice" shall mean any notice required by the law of the State or which the Director determines is valid evidence of imminent dispossession or eviction. In addition the Director shall provide reemployment assistance services in order to find job opportunities. Such assistance may also include training or retraining under existing Federal programs.

The effective date of Section 226(c) is August 1, 1969.

PART C—RECOVERY ASSISTANCE

Small Business Disaster Loans

Several important changes are made in the present Small Business Disaster loan program.

First, under Section 231 S.B.A. disaster loans can be made in areas determined by the Administrator to be disaster areas as well as in areas declared to be major disaster areas by the President.

Second, by Section 234 the interest rate on any loan made under the authority of the S.B.A. disaster loan program is changed from the current 3% (in most cases) to a rate determined by the Secretary of

the Treasury, taking into account the current market yield of 10-12 year U.S. obligations, less not to exceed 2% a year.

Third, offsetting the proposed higher interest rate will be an increase, as provided in section 231, in the amount of forgiveness on S.B.A. disaster relief loans. At present, on loans in excess of \$500 a maximum of \$1800 can be cancelled; the new formula provides cancellation of a loan in excess of \$500 to a maximum amount of \$2500.

Fourth, under section 244, any home rebuilt, restored, reconstructed or replaced with the aid of a major disaster loan has to be constructed in accordance to minimum standards of safety, decency, and sanitation prescribed by the Secretary of Housing and Urban Development and in conformity with applicable building codes and specifications.

Despite the higher interest rate which would be charged for disaster loans, substantial benefits will accrue under the new formula for many of those seeking assistance. A homeowner whose disaster loan exceeds \$10,500 will be eligible for a forgiveness of the maximum amount, or \$2,500. His total encumbrance on \$10,500 will be only \$8,000. A \$6,000 disaster loan will be credited with \$2,500, reducing the obligation to \$3,500. A borrower of \$2,000 will be entitled to a \$1,500 cancellation, leaving a balance of \$500 to be repaid.

It is believed that the maximum of \$2,500 cancellation in disaster loans will bring substantial relief to the low and middle income groups whose homes may not be adequately protected by insurance. The \$2,500 credit will also apply to loans on more expensive houses damaged in disasters, of course, but the higher interest rates paid over a number of years will tend to counterbalance this cancellation.

Congress first provided for the \$1,800 cancellation feature in disaster loans after Hurricane Betsy in 1965; a similar provision was included in the 1969 disaster assistance law. Because of the great increase in building construction costs in the last five years and the likelihood that such costs may continue to rise, a sizable increment in this amount would not appear to be unreasonable.

In accordance with the recommendation of the Senate Banking Committee, Section 231(b) makes eligible for disaster loan assistance small business concerns which are located within a disaster area and which the Small Business Administration determines have suffered substantial economic injury as a result of the disaster.

This provision deletes from the Small Business Act the provision which authorizes SBA to make an economic disaster loan to a small business *only* upon a declaration of a major disaster by the President or a natural disaster declared by the Secretary of Agriculture. Under existing law a loan may not be made under a declaration of a disaster by the Administrator only. This subsection would permit SBA to make these economic disaster loans under a disaster declaration by the President, the Secretary of Agriculture or the Administrator of SBA.

An economic disaster can be described as a secondary result of a natural disaster. A small business concern may not have suffered physical disaster from a natural disaster in the area but because of that natural disaster the business has suffered economic harm through loss of the patronage of the residents of that area or from other economic factors. If such economic loss occurs, the small business concern may apply to S.B.A. for an economic disaster loan under this section.

Farmers Home Administration Emergency Loans

The existing provisions of law relating to F.H.A. disaster loans are extended by Section 232 with the following changes:

The loan provisions are amended, as for S.B.A. loans, to provide forgiveness on loans in excess of \$500 to a maximum amount of \$2,500.

The interest rate authorized by Section 234 and the minimum standards for residential structure restoration set forth in Section 244 will also apply to the loan program provided by Section 232.

Veterans' Administration Loans

Section 233, as recommended by the Senate Banking Committee, provides that veterans who have VA direct loans shall be treated in the same manner as other disaster victims.

As section 1820(a)(2) of title 38, U.S.C., presently provides, the Administrator has broad authority to consent or agree to any proposal of a holder of a *guaranteed or insured* loan to modify the terms of payment of such loan including the rate of interest, time of payment of either principal or interest or any portion therof, or any other provision of the loan contract. There is no mention in this subsection of loans in the Administrator's portfolio, i.e., direct loans, vendee accounts, and loans purchased from private holders. There are presently more than 300,000 of these loans. The outstanding principal balance is approximately \$2.6 billion. The inclusion of a reference in subsection 1820(a)(2) to loans "made or acquired" by the Administrator will make it unequivocally clear that the Administrator's broad authority to agree to a modification of a guaranteed or insured home loan applies fully to loans owned by the Administrator. Thus what the Administrator may consent to in the case of guaranteed or insured loan borrowers, he may do directly for borrowers on loans owned by the Administrator. In a disaster area, for example, the Administrator's cooperation with the owner of a seriously damaged property securing a direct loan could include a suspension of payments, temporary reduction in the interest rate, a temporary reduction of principal payments, etc.

The amendment to subsection (a)(2) is coupled with an amendment to section 1820(f) which specifically directs the Administrator in major disaster areas to extend such forbearance or indulgence in individual cases as he determines to be warranted by the particular facts and circumstances in such cases. In addition, section 1820(f), as amended, will require the Administrator in disaster areas to provide such counseling and other service as may be feasible, e.g., assist homeowners in portfolio loan cases to obtain fair insurance settlements, obtain repair bids from reliable contractors, and inform the homeowners of the disaster assistance available from such agencies as the Small Business Administration and the Farmers Home Administration.

Disaster Loan Interest Rates

The Secretary of the Treasury is authorized by Section 234(a) to determine the interest rate on any loan made pursuant to Sections 231 (S.B.A.), 232 (Farmers Home Administration), 236(b) (HUD loan adjustments), 237 (Aid to Major Sources of Employment), and

241 (Community Disaster Loan Fund), taking into account the current average market yield on 10-12 year U.S. obligations less not to exceed 2% per year. The Treasury reports that the current yield on such obligations is 7 $\frac{3}{8}$ %; thus under this provision the present rate on disaster loans would be 5 $\frac{3}{8}$ %. The figure 2% was recommended by the Senate Banking Committee.

Section 234(b) makes this same rate applicable to all disaster loans under Section 7(b) of the Small Business Act in accordance with the amendment adopted by the Senate Banking Committee.

Age of Applicant for Disaster Home Loans

Section 235 of the bill also prohibits the denial of a disaster loan to any adult solely on the grounds of age. Testimony has been received indicating some reluctance to grant disaster home loans to individuals whose life expectancy may not be equal to the usual length of most mortgages. Older people displaced by a disaster ordinarily are as much as in need of adequate dwelling space as are younger families, or more so. In any case, since the equity in the home will remain no matter what happens to the mortgagee, persons in need after a major disaster should not be placed in a disadvantageous position because of their age.

Federal Loan Adjustments

Section 236 carries forward the provisions of section 3(a) and (b) of Public Law 89-769, the Disaster Relief Act of 1966. The Secretary of Agriculture is authorized to adjust the schedule of payments of interest and principal on Rural Electrification Administration loans and to extend the maturity of such loans for not more than forty years, where such action is required because the economic feasibility of an REA system or because of loss, damage or destruction the property of an REA borrower has been impaired by a major disaster.

Likewise, where a major disaster has destroyed or damaged property or facilities securing obligations held by the Secretary of Housing and Urban Development, he may refinance such note or obligation, reduce the interest rate thereon to the rate determined under section 234, suspend the payment of principal and interest charges thereon, and extend the maturity of such a loan for not more than 5 years.

Aid to Major Sources of Employment

Loans can be made under Section 237 by the Small Business Administration in the case of a non-agricultural enterprise or by the Farmers Home Administration in the case of an agricultural enterprise, to any industrial, commercial, agricultural or other enterprise which has been a major source of employment in a major disaster area but which is no longer in substantial operation because of the disaster. In view of the widespread unemployment which frequently accompanies major disasters, it is crucial to restore local industries and other enterprises to a functional condition as soon as possible so that local residents can become self-sustaining.

This is especially important in those communities or areas which are heavily dependent on only one or two major types of enterprise for the bulk of their employment. For example, a small town which

depends almost entirely for its livelihood on a fishing fleet, a canning factory or paper mill destroyed in a major disaster will be in large measure destitute until that business can resume normal activities. Similar to other disaster loans, the interest for loans made by the administrator under this section will be at a rate determined by the Secretary of the Treasury taking into account the current market yield on 10-12 year U.S. obligations, less not to exceed 2% per year. In addition, the administrator is empowered to defer initial payments of principal and interest for a period not to exceed three years. The effective date of this section is made retroactive to August 1, 1969, so as to include Hurricane Camille.

Food Coupons and Distribution

The provisions of Section 238 are designed to correlate all aspects of Federal law which relate to emergency food assistance to individuals. The President is authorized to make both food stamps and surplus commodities available to low-income households in disaster areas for so long as he deems necessary. The Committee has no intention of amending or otherwise changing the basic provisions of existing food stamp legislation, but it believes the President should continue to have the authority as he now has under Public Law 91-79 to grant such relief through the Department of Agriculture on an emergency basis.

Legal Services

Section 239, a new provision proposed by Senator Gravel, adds another form of assistance to disaster victims by authorizing needed legal services to low-income individuals, with the advice and assistance of appropriate Federal agencies and State and local bar associations.

Testimony before the Committee indicates that many individuals, particularly those earning low incomes, need the guidance and counsel of competent lawyers but are unable to pay for legal services in defense of their interests when negotiating with insurance adjustors or making application for Federal loans and other assistance. The Committee believes such individuals are entitled to free legal advice.

Unemployment Assistance

Among the provisions of the 1969 Disaster Act which will be made permanent by this bill is Section 240, the special unemployment compensation program for persons who lose their jobs because of a major disaster but who are not eligible to receive unemployment compensation under the laws of their State. This program has proved most effective not only in providing needed financial support to disaster victims but in infusing substantial sums of money into the weakened economies of communities in disaster areas. As of the end of June this year, 36,800 individuals have been assisted by the provisions of the 1969 law. Almost \$9,500,000 had been expended under the program from late December 1969, when the first payments were made to victims of Camille, until June 1, 1970. Weekly payments may not exceed in amount or duration those provided under State law for unemployment compensation. Payments vary between \$45 and \$57 a week. Because of the demonstrated success of this program,

which is administered by the Department of Labor, the Committee proposes that it be continued indefinitely.

Community Disaster Loan Fund

A new Community Disaster Loan Fund is established in the Department of the Treasury by Section 241; local governments which, because of a major disaster, have suffered a loss of more than 25% of their tax base or such a substantial amount that they otherwise cannot meet their obligations, will be able to borrow from this Fund in order to make payments of interest and principal due on outstanding bonded indebtedness, to provide their share of matching funds for Federal grants necessary for restoration of the area, or to provide or maintain essential public services. Loans for this purpose will be for a maximum period of 20 years and will carry an interest rate similar to that for other programs, as provided in Section 234. However, the President is authorized to waive payment of interest and principal on Community Disaster Loans for a period not to exceed five years or for half the period of the loan, whichever is the lesser. As much as \$100 million is authorized to be appropriated for the purposes of the Community Disaster Loan Fund.

If a sizable proportion of the property in a community is severely damaged or destroyed by a major disaster, its revenue sources almost inevitably will be drastically curtailed. Most local governments depend very heavily on the property tax for much of their income; in situations where one-third, one-half or more of the assessed property valuation may be wiped out in a few hours, those governments will not be able to avoid comparable losses in taxable revenue. As a consequence, they face a grim financial crisis if they cannot meet unavoidable fixed obligations, especially payments on the interest and principal of outstanding bonds previously issued for local governmental purposes.

Testimony was presented to the Subcommittee indicating that within a few months several of the Gulf Coast cities in Mississippi, which lost upwards of 40% to 50% of their tax base, would not be able to collect sufficient property taxes to remain solvent. Under these circumstances the Committee firmly believes that the type of Community Disaster Loan Fund which is proposed in this bill will be of real assistance and should be established as soon as possible. Loans under this program can also be used to help provide the local share on any Federal grant-in-aid program available to a community in the disaster area, as well as, to provide and maintain essential public services, such as police and fire protection.

The effective date of this provision is made retroactive to August 1, 1969, so as to include Hurricane Camille.

Timber Sale Contracts

Assistance in the salvage and clean-up of timber damaged by disaster is essential to reduce or prevent additional losses because of insects, fire, disease or other causes. Grants under Section 242 can be used only for expenses incurred in actual removal of damaged timber, offset by any value gained from salvage.

Public Land Entrymen

Provisions of Section 243 authorize the Secretary of the Interior to extend the time for entry on public lands in any State affected by a major disaster if he determines that the entryman cannot comply with existing requirements because of a major disaster.

Minimum Standards for Residential Structure Restoration

Under Section 244 minimum standards of safety, decency and sanitation as well as applicable building codes will have to be adhered to in the construction, repair or rehabilitation of any residence financed with the aid of a disaster grant or loan. The purpose of this provision is to assure that no home damaged or destroyed in a major disaster will be rebuilt with Federal assistance in a shoddy, unsafe or unsanitary condition. The Secretary of Housing and Urban Development is authorized, after consultation with other Federal, State and local officials, to promulgate regulations designed to assure that such construction conforms to these minimum standards as well as to currently applicable local building codes and specifications.

PART D—RESTORATION OF PUBLIC FACILITIES

Federal Facilities

Section 251 of the bill, which authorizes the restoration of Federal facilities damaged in a major disaster, restates in somewhat simpler language the provisions of Section 6 of P.L. 875, 81st Congress, the Disaster Relief Act of 1950. If the President determines such action to be so urgent that it cannot be deferred, he is authorized to allow any Federal agency to repair, restore, reconstruct, or replace facilities owned by the United States which were damaged or destroyed in a major disaster. Work on the project can begin, even if sufficient funds have not been appropriated, if other funds can be transferred from funds appropriated for another purpose.

State and Local Government Facilities

Section 252 authorizes 50% matching grants for restoring public works facilities and projects of States or local communities which were damaged or destroyed in a major disaster, including projects for flood control, navigation, reclamation, electric power, water and sewage treatment, watersheds, airports and non-Federal-aid streets, roads and highways and any other essential public facility. Similar grants could also be made to meet the additional costs of completing such types of projects or facilities which were in the process of construction when the disaster struck. It is the intent of the Committee that under this section the Federal Government's share of the cost of repair, restoration, reconstruction or replacement relates only to those portions of the facility which were damaged or destroyed. (See explanation under Section 203 of the differences between that section and Section 252.)

The effective date of Section 252(a) is made retroactive to August 1, 1969.

Priority for Certain Applications

Section 253 gives priority in the processing of applications for various housing programs from public bodies located in disaster areas for a period not to exceed six months as prescribed by Presidential proclamation.

Relocation Assistance

Section 254 would authorize the making of relocation payments under the urban renewal program in certain cases to persons displaced by a major disaster. Under present law and regulations, if the area of a major disaster is subsequently approved for an urban renewal project, persons who have been displaced because of the disaster cannot receive relocation payments even though the property they occupied and may have owned is acquired as part of that project, unless they have been able to return and reoccupy that property, or what remains of it, prior to the time of its acquisition. Under the amendment, relocation payments can be made without regard to whether persons displaced by the disaster are able to return to the area, provided that they are in all other respects eligible for such payments. The effective date of this section is made retroactive to August 1, 1969.

TITLE III—MISCELLANEOUS

Repeal of Existing Law

Section 302 repeals the three existing major disaster relief laws: The Act of September 30, 1950 (64 Stat. 1109); the Disaster Relief Act of 1966 (80 Stat. 1316) except section 7 (Higher Education Facilities Assistance); and the Disaster Relief Act of 1969 (83 Stat. 125).

Authorization of Appropriations

Section 303 authorizes the appropriation of such sums as may be necessary except as provided in Sections 206 (State Plans) and 228 (Community Disaster Loan Fund) where specific amounts are authorized.

Effective Date

Section 304 provides that the Act shall take effect immediately upon enactment, except that Sections 226(c), 237, 241, 252(a) and 254 shall take effect as of August 1, 1969. Senator Yarborough had proposed in his amendment No. 783 to make Parts A (General Provisions), C (Recovery Assistance) and D (Restoration of Public Facilities) of Title II retroactive for a full year prior to enactment of the legislation. The Committee recommends that only five new programs authorized in the bill be made retroactive and, in order to include the Camille disaster of August, 1969, to make the effective date of these programs August 1, 1969. The five new programs are (1) Aid to Major Sources of Employment (Section 237); (2) Community Disaster Loan Fund (Section 241); (3) Restoration of State and Local Government Facilities (Section 252(a)); (4) Temporary Housing Assistance (Section 226(c)); and (5) Relocation Assistance (Section 254).

SECTION-BY-SECTION ANALYSIS

TITLE I—FINDINGS AND DECLARATIONS, DEFINITIONS

Section 101—Findings and Declarations

The Congress would find and declare that because major disasters cause loss of life, human suffering, loss of income, property loss and damage and because such disasters disrupt the normal functioning of government and the community special measures are required to expedite assistance and emergency welfare services and reconstruct and rehabilitate devastated areas.

The Congress would under this Act provide orderly and continuing means of alleviating suffering and damage by (1) revising and broadening existing major disaster relief programs (2) encouraging development of comprehensive State disaster plans and (3) achieving greater coordination and responsiveness of Federal major disaster relief programs.

Section 102—Definitions

Definitions in this section are the same as P.L. 875, 81st Congress, except for the addition of the words "tornado, highwater, wind-driven water, and tidal wave" to the definition of "major disaster." No provision of S. 3619 would be operative except in those instances and areas where the President has declared that a major disaster has occurred.

PART A—GENERAL PROVISIONS

Section 201—Federal Coordinating Officer

Section 201 provides for the presidential appointment of a Federal Coordinating Officer for the designated disaster area. The duties of this officer would include but not necessarily be limited to these functions: 1) initial appraisal of the relief most needed, 2) establishment of field offices, 3) coordination of relief distribution activities, and 4) supervision of emergency support teams and other actions to assist local citizens and officials to receive aid.

Section 202—Emergency Support Teams

Section 202 would authorize the Director to form emergency support teams and personnel to assist the Federal Coordinating Officer in carrying out his responsibilities as defined under Section 201.

Section 203—Cooperation of Federal Agencies.

This section would authorize Federal agencies to assist disaster areas in several ways, including: the utilization or lending of personnel, facilities, supplies, equipment, and other resources except extension of credit, with or without compensation, to State and local governments; the distribution of medicine, food and other consumable supplies and the rendering of emergency services through relief and disaster assistance organizations; the donation or lending of Federal surplus equipment and supplies; and the performing on public or private lands or waters of any emergency work essential for the protection and preservation of life and property.

Such emergency work would include clearing and removing debris and wreckage. It would also include making repairs, or restoring to service, damaged or destroyed public facilities belonging to State and

local governments, except that the Federal contribution would not exceed the net cost of restoring such facilities to their predisaster capacity.

Assistance by Federal agencies would also provide for emergency shelter for individuals and families who require such assistance because of a major disaster.

Federal agencies could also make contributions to State or local governments for the purpose of carrying out the types of assistance authorized under Section 203(a)(4).

Emergency work performed under section 203(a)(4) would not bar additional Federal assistance under any other section of the Act.

Federal agencies could be reimbursed for services and supplies under Section 203(a) from funds appropriated under this Act. Any funds paid to Federal agencies for services or supplies furnished under the provisions of this section would be deposited to the credit of the appropriation or appropriations currently available for such services or supplies.

The Federal Government would not be liable for any claim based on the exercise or performance, or failure to exercise or perform, of a Federal agency or employee in carrying out the provisions of this section.

Any Federal agency designated by the President to exercise authority under this Act could establish and fund the necessary expenses of special groups, interdepartmental or otherwise, which it deemed appropriate to assist in carrying out Federal disaster preparedness and assistance laws.

Any Federal agency carrying out the provisions of this Act could accept and utilize facilities, funds, and services furnished by State or local governments or their personnel, and such Federal agency could temporarily employ additional personnel without regard to civil service laws and could contract or incur obligations on behalf of the United States for acquisition or rental of equipment, services, materials or supplies for shipping, drayage, travel and communications, and for supervising and administering such activities. Such obligations, including those for employment of temporary additional personnel could be incurred by a Federal agency in whatever amount the President made available to it.

The President would further be authorized to coordinate the activities of Federal agencies providing disaster assistance, direct any Federal agency to utilize its funds, personnel, equipment, supplies, facilities, and other resources, prescribe such rules and regulations as may be necessary, and exercise any power or authority conferred on him by any section of this Act either directly or through whatever Federal agency he designates.

Finally, through the Office of Emergency Preparedness, the President would periodically review the disaster assistance activities of Federal and State departments and agencies, in order to assure maximum coordination, and to evaluate progress in the development of Federal, State and local preparedness to cope with major disasters.

Section 204—Use of Local Firms and Individuals

Section 204 provides that in expending Federal funds for debris clearance, distribution of supplies, reconstruction and other major disaster assistance activities carried out by contract with private

organizations, firms or individuals, preference should be given in awarding such contracts to residents and persons who do business primarily in the disaster area.

Section 205—Federal Grant-in-Aid Programs

Any agency administering aid to disaster areas would be authorized to waive the conditions, except matching provisions, for receipt of Federal grant-in-aid programs as would otherwise prevent the giving of assistance for the duration of the disaster proclamation, if inability to meet such conditions resulted from the disaster.

Section 206—State Disaster Plans

This section provides for the formulation by the States of comprehensive plans and programs for preparation against major disasters and their losses. Grants up to \$250,000 would be made by the President to any applicant State on a matching basis for no more than half the cost of developing such plans and programs and up to \$25,000 per annum would be made available to update and improve the developed plans.

To be eligible for a planning grant, a State would have to establish or designate an agency which would be responsible for developing and administering its disaster relief plan and program.

The resultant plan should include a comprehensive and detailed State program for preparation against and relief following a major disaster and include provisions for the appointment of a State co-ordinating office to assist the Federal coordinating officer appointed under Section 201 of this Act.

From time to time, the Director would prepare a report to the President, for submission to the Congress, containing his recommendations for the Federal role in implementing, funding, and coordinating disaster relief activities.

Section 207—Use and Coordination of Relief Organizations

The Director would be authorized to make agreements with relief or disaster assistance organizations, including but not limited to the American National Red Cross, the Salvation Army, the Mennonite Board of Missions and Charities, to help the distribution of food, clothing, medicine and other supplies, and the restoration rehabilitation or reconstruction of community services and facilities. The Director would be authorized to make agreements with organizations which would allow the Federal coordinating officer to coordinate all relief activities of private agencies in a given disaster area. Such agreements would have to include provisions for compliance with regulations promulgated under Sections 208 (Duplication of Benefits) and 209 (Nondiscrimination).

Section 208—Duplication of Benefits

The Director would be required to ascertain that no person or business would be receiving aid from more than one source for the same disaster damage. No person or business could receive assistance from the government for any loss compensated by insurance, but partial compensation for a loss would not preclude additional Federal assistance for such part of the loss not compensated for otherwise. The Director would be required to determine whether any person had received duplicate benefits. Whenever the Director determined that a

person or business had received assistance from more than one source which exceeded the amount of the loss, he would direct that person or business to reimburse the Federal Government for the part he deemed excessive but not in excess of the amount of Federal assistance received.

Section 209—Non-discrimination in Disaster Assistance

The Director would be required to issue regulations forbidding discrimination by race, color, age, sex, nationality, religion or economic status in providing disaster relief supplies and services. Any relief organization participating in the distribution of assistance or supplies under Section 207 must comply with these regulations relating to non-discrimination.

Section 210—Advisory Personnel

The Director would be authorized to assign advisory personnel to the chief executive officer of a State or local government upon the request by such executive officer, in order to insure full utilization of relief and assistance resources and programs.

Section 211—Disaster Warnings

The President would be authorized to provide needed warning to governmental authorities and civilian population in areas endangered by imminent natural disasters.

PART B—EMERGENCY RELIEF

Section 221—Predisaster Assistance

The President would be authorized to utilize Federal resources to assist States or local governments in preparations for an imminent major disaster to avert or lessen its effects.

Section 222—Emergency Communications System

The Director would be authorized to establish emergency communications in any major disaster area which would be made available to State and local government officials and other persons as he saw fit.

Section 223—Emergency Public Transportation

Emergency public transportation to governmental offices, supply centers, stores, post offices, schools, and major employment centers would be authorized in a major disaster area where regular public transportation had been disrupted in order that the community's normal pattern of life could be resumed as soon as possible.

Section 224—Debris Removal Grants

The President would be authorized to make grants to State and local governments for removal of debris from private lands or waters whenever he determined it to be in the public interest: except that these benefits would not be available unless State or local governments arranged unconditional authorization for the removal of debris and agreed to indemnify the Federal government for any claims resulting from this debris removal. Payments could also be made to remove debris from community areas which included an individual's private property.

Section 225—Fire Suppression Grants

The President would be authorized to make grants to any State in order to assist in the suppression of fires on publicly or privately owned

forest and grass lands which threatened such destruction as would constitute a major disaster.

Section 226—Temporary Housing Assistance

The Director would be authorized to provide necessary shelter for owners or tenants whose places of residence had been made uninhabitable by a major disaster. Dwelling accommodations necessary for this purpose, including mobile homes, could be purchased or leased, and in turn could be rented or sold outright to the disaster victims to provide them with suitable housing. The housing would be placed by the State or local government or by the owner or occupant on sites complete with utilities without charge to the United States. The Director could decide in the public interest to provide more economical and accessible sites at Federal expense.

After an initial 90 days of occupancy rentals could be established. These rentals could be compromised, adjusted or waived for a period of not to exceed one year from date of occupancy according to the financial ability of the occupants, but in no case could the family's monthly housing expense be required to be more than one-fourth the family's monthly income.

The Director would be further authorized to provide grants as temporary assistance in the form of mortgage or rental payments to individuals who had suffered severe financial hardship caused by a major disaster and who had received written notice of dispossession or eviction from their residence because of foreclosure of a mortgage or lien, cancellation of a contract of sale, or termination of an oral or written lease. This assistance could be furnished for not in excess of one year or until the individual's financial hardship ended, whichever was the lesser. In addition the Director would provide reemployment assistance services to individuals who were unemployed as a result of a major disaster.

PART C—RECOVERY ASSISTANCE

Section 231—Small Business Disaster Loans

This section would amend Section 7(b)(1) of the Small Business Act to provide that in the case of property loss or damage as the result of either a major disaster declared by the President or a disaster as determined by the Administrator of the Small Business Administration, the S.B.A. could make loans for the repair, rehabilitation or replacement of such property without regard to whether the necessary financial assistance is otherwise available from private sources.

S.B.A. could refinance any mortgage or other lien outstanding against a home or business which had been totally destroyed or substantially damaged by such a disaster if the refinancing was for the purpose of repairing, rehabilitating or replacing the damaged or destroyed property. This refinancing could be provided even if financial assistance was otherwise available.

The section would further provide that the principal of any disaster loan in excess of \$500 could be cancelled in an amount not in excess of \$2500. Payments of interest or principal could be wholly or partially deferred during the first three years of the term regardless of the ability of the borrower to make payments.

Section 231(b) would amend Section 7 of the Small Business Act to authorize the S.B.A. to make a loan to a small business concern

located in an area affected by a disaster, if the S.B.A. determined that the concern had suffered a substantial economic injury as a result of such a disaster.

Section 232—Farmers Home Administration Emergency Loans

In the case of loss or damage to property, including household furnishings, resulting from a major disaster, the Secretary of Agriculture would be authorized by this section to make loans for the repair, rehabilitation or replacement of such property, and in the case of the total destruction of or substantial damage to a home or business concern resulting from a major disaster, to refinance any mortgage or other lien against such property for the purpose of repairing, rehabilitating or replacing the destroyed or damaged property.

To the extent such loss or damage was not compensated for by insurance or otherwise, the Secretary could, on the part of any loan or refinanced mortgage or lien in excess of \$500, cancel not to exceed \$2,500, and also could defer interest or principal payments, or both, during the first 3 years of the loan whether or not the borrower had the ability to make such payments.

Section 233—Loans Held by the Veterans Administration

This section would amend Section 1820(a)(2) of title 38, United States Code, to authorize the Administrator of the Veterans Administration to agree to the modification of the terms of any loan made or acquired by him on any residential property securing such loan which was lost, destroyed or damaged as the result of a major disaster. The section also would direct the Administrator in major disaster areas to provide the owner of such property with counseling and other services, to inform him of disaster assistance available from other Federal, state or local agencies and to extend such forbearance on an individual case basis as he determined to be warranted by the facts of the case.

Section 234—Disaster Loan Interest Rates

Any disaster loan made by a Federal agency under Sections 231, 232, 236(b), 237 or 241 of this Act would be at an interest rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on 10-12 year U.S. obligations less not to exceed 2% per year. Section 234(b) would make this same rate applicable to all disaster loans under Section 7(b) of the Small Business Act.

Section 235—Age of Applicant for Disaster Home Loans

All applicants for Federally administered disaster loans must be considered without discrimination because of age.

Section 236—Federal Loan Adjustments

The Secretary of Agriculture would be authorized to extend maturity dates of REA loans to a period not beyond forty years and to readjust payment schedules of borrowers from the Rural Electrification Administration, if the borrowers were unable to make payments because of disaster damage. The Secretary of HUD would be authorized to refinance any note or other obligation which could not be paid because of disaster damage. The interest rate could be reduced to a rate specified pursuant to section 234. The maturity date could be extended to a period not exceeding 40 years. The Secretary could suspend

payment of interest and principal and extend maturity of loans which might cause financial hardship.

Section 237—Aid to Major Sources of Employment

The S.B.A. or the Farmers Home Administration would be authorized to make loans to industries and businesses which were a major source of employment in a disaster-stricken area and which were no longer in substantial operation. Loans authorized by this section would be made without regard to limitations on the size of loans which might otherwise be imposed by law, regulation or other means. Loans could be at interest rates prescribed in Section 234 but, the Administrator would be authorized to defer payments of principal and interest for up to three years.

Section 238—Food Coupons and Distribution

The President would be authorized to distribute food stamps and surplus commodities to low-income households which were not able to purchase adequate amounts of nutritious food because of a major disaster. Such distribution of food stamps and commodities would be carried out pursuant to legislation now governing the handling of these matters. The President would be authorized to make coupon allotments and surplus commodities available to such households for as long as he determined necessary. He could take into account such factors as the effect of the disaster on the earning power of the recipient households.

Section 239—Legal Services

The Director would be authorized to provide needed legal services to low-income individuals, with advice and assistance of appropriate Federal agencies and State and local bar associations.

Section 240—Unemployment Assistance

The President would be authorized to provide assistance to those individuals unemployed as a result of a major disaster who were not receiving unemployment compensation or private income protection insurance. Any assistance provided under this section could not exceed the number of payments such an individual would have received if he had been qualified for State unemployment compensation payments.

Section 241—Community Disaster Loan Fund

\$100,000,000 would be authorized for a Community Disaster Loan Fund to be established in the Treasury. This Fund would provide loans to local governments for use for three purposes: 1) meeting interest and principal payments on outstanding bonded indebtedness, 2) paying the local share of Federal grant-in-aid programs necessary for restoration of the disaster area, and 3) providing and maintaining essential public services, such as fire and police protection. To qualify for this kind of loan, a local government would have to have suffered a loss of more than 25% of its tax base or such a substantial amount that it could not otherwise meet payments on its obligations, its matching shares or its essential public services. For the first two years these loans would be interest free. The term of such loan may be of such duration as necessary but not to exceed 20 years.

Loans would be made at interest rates specified in Sec. 234. The President would be authorized to defer initial payments on such loans for five years or half the term of the loan, whichever is less.

Loans for any year could not exceed the difference between the average annual tax received by the local government for the three years preceding the disaster and the accrued property tax revenue for each of the three years following the disaster.

Reduction of tax rates and tax assessment valuation factors in effect at the time of the disaster would be prohibited during the three-year period after the disaster. Such sums as the President might determine necessary could be transferred to the Fund from disaster relief appropriations. Interest and principal payments on loans, as well as any other moneys, property or assets derived from operations of this section would be deposited in the Fund.

This Fund would furnish moneys for all loans, expenses and payments for operations under this section. At least once each fiscal year any interest on the average amount of appropriations accumulated as capital in the Fund, less the average undisbursed cash balance in the fund during year, would be paid into the Treasury as miscellaneous receipts. The rate of such interest could not exceed that charged for loans from the Fund. The Secretary of the Treasury could defer interest payments but interest would be charged on such deferred payments. Should the President at any time determine that the moneys in the Disaster Loan Fund exceeded present or any reasonable prospective requirements, he could transfer the excess to the general fund of the Treasury or to his disaster relief appropriations.

Section 242—Timber Sale Contracts

The Secretary of the Interior and the Secretary of Agriculture would be authorized by subsection (a) to reimburse timber sale contractors or to arrange for road and trail construction and restoration costs incurred in restoring roads, previously authorized by contracts for the purchase of timber, which had been damaged by major disasters. If the estimated cost of such additional construction would exceed (1) \$1000 for sales under one million board feet, or (2) \$1 per thousand board feet for sales of one to three million board feet, or (3) \$3000 for sales over three million feet, the increased cost would be borne by the United States.

If the Secretary determined that damages were so great that restoration, reconstruction or construction would not be practical under the above-cited sharing arrangement, subsection (b) would authorize him to cancel the contract.

Whenever the Secretary of Agriculture determined that the sale of timber from national forest would assist in construction of a damaged area, or would assist in sustaining the area's economy, or was necessary to salvage the value of the damaged timber, subsection (c) would authorize him to reduce to 7 days the required minimum period of advance notice of sale.

Subsection (d) would authorize the Director to make grants to States or political subdivisions to remove damaged timber from privately owned lands, and such States or political subdivisions in turn would be authorized to reimburse the actual expenses of persons who remove damaged timber but not in excess of the salvage value of the timber.

Section 243—Public Land Entrymen

The Secretary of the Interior would be authorized to give any public land entryman additional time to comply with requirements of law in connection with a public land entry in any State affected by a major disaster if the Secretary found that because of a major disaster the entryman was unable to comply with such requirement.

Section 244—Minimum Standards for Residential Structure Restoration

Subsection (a) would require that minimum standards of safety, decency and sanitation, as prescribed in regulations by the Secretary of Housing and Urban Development, and current building codes and specifications, be applied to the building, repair or rehabilitation of any residential structure in a major disaster area carried out with the aid of loans or grants from Federal agencies or relief organizations. The Secretary would further be authorized to consult with other officials in Federal, State or local governments to carry out the purpose of the section and to have the necessary flexibility to be consistent with requirements of other applicable building regulations, codes and programs.

PART D—RESTORATION OF PUBLIC FACILITIES

Section 251—Federal Facilities

Upon the President's determination that repair, reconstruction, restoration or replacement of facilities owned by the United States was so important and urgent that it could not reasonably be deferred pending enactment of specific authorizing legislation or the making of an appropriation, he could authorize any Federal agency to repair, reconstruct, restore or replace any facilities damaged or destroyed in a major disaster that were under its jurisdiction. This work could begin notwithstanding a lack or insufficiency of funds where such lack or insufficiency could be remedied by the transfer, in accordance with law, of funds appropriated for another purpose.

Section 252—State and Local Government Facilities

The President would be authorized to make contributions to States or local communities for repairing, restoring, reconstructing or replacing damaged portions of public facilities belonging to State or local governments, including flood control, navigation, irrigation, reclamation, public power, sewage treatment and collection, water supply and distribution, watershed development, airport, non-Federal-aid street, road or highway, and any other essential facility damaged by a major disaster. Such Federal contribution could not exceed 50% of the net cost of restoring such facility to its predisaster capacity and in conformity with applicable codes and specifications.

The President could also make contributions to States or local governments in amounts not in excess of 50% of the net cost of restoring such public facilities, which were in the process of construction when damaged or destroyed, to substantially their condition prior to the disaster and of completing construction not performed before the disaster to the extent that the increase in cost over the original construction cost was attributable to changed conditions caused by the disaster.

Section 253—Priority to Certain Applications for Public Facilities and Public Housing Assistance

The President by proclamation would prescribe a period not to exceed six months during which processing of applications for assistancee would be given priority and immediate assistance under the following Acts: Title II of the Housing Amendments of 1955 or any other act providing assistancee for repair, construction or extension of public facilities; the United States Housing Act of 1937 providing low-rent housing; Section 702 of the Housing Act of 1954 providing assistancee in public works planning; Seetion 702 of the Housing and Urban Development Aet of 1965 providing grants for public faciliites; or Seetion 306 of the Consolidated Farmers Home Administration Act.

Section 254—Relocation Assistance

This section would provide that no person otherwise eligible for relocation assistancee payments under the Housing Aet of 1949 would be denied eligibility as a result of a Presidentialy declared major disaster.

TITLE III—MISCELLANEOUS

TECHNICAL AMENDMENTS

Section 302—Repeal of Existing Law

The Act repeals three existing disaster laws: the basic 1950 Act (64 Stat 1109), the Disaster Relief Aet of 1966 (80 Stat 1316) except for Seetion 7 (Higher Education Facilities Assistancee in Disaster Areas) and the Disaster Relief Act of 1969.

Section 303—Authorization of Appropriations

Except as provided in seetions 206 and 241, such sums as may be neeessary would be authorized to be appropriated as would be neees-sary to carry out the provisions of this Act.

Section 304—Effective Date

The Aet would take effect immediately upon enaement, except that Sections 226(e), 237, 241, 252(a), and 254 would take effect as of August 1, 1969.

COMMITTEE RECOMMENDATIONS

The Committee on Public Works, having eonsidered this legislation and having incorporated therein to the greatest extent possible the proposals of all interested parties, is of the opinion that its provisions are of vital importance to those individuals, organizations and communities suffering hardship as a result of a major disaster. Enaement of S. 3619, as reported, is therefore unanimously recommended.

INDIVIDUAL VIEWS OF MR. DOLE

In 1969 there were 29 major disasters affecting 23 States. Both in number and in scope of destruction, these disasters surpassed those of any single year since the first comprehensive Federal Disaster Act was passed in 1950. The California flood and Hurricane Camille were exceptionally destructive. As a result, the Federal Government allocated a total of \$148,970,000 from the President's disaster fund, the largest sum for any year in history. In addition, the disaster loan programs of the Small Business Administration and the Farmers Home Administration were of major assistance during 1969 to homeowners, businessmen, and farmers. Food supplies from the Department of Agriculture, community relations services from the Department of Justice, and legal assistance grants from OEO also helped many disaster victims.

Operation Foresight, a flood-prevention program, was initiated by President Nixon early in 1969. This innovation has been eminently successful; it prevented widespread human suffering and an estimated \$200 million in damage at a cost of \$20 million.

Because of the recordbreaking demands of 1969, the Subcommittee on Disaster Relief was created to review our Federal disaster assistance laws. The subcommittee held hearings in the field and in Washington, receiving an abundance of testimony indicating the need to make our disaster assistance more effective and efficient.

On April 22, 1970 President Nixon, in the first special message to Congress on the subject of disaster assistance in 18 years, proposed far-reaching legislative and administrative changes to improve our response to major natural disasters. The President pointed out that our disaster assistance program has "**** grown in a piecemeal and often haphazard manner, involving over 50 separate congressional enactments and Executive actions." He noted that "This slow development process has created a complex program, one which has a number of gaps and overlaps and needs increased coordination."

The bill reported from committee includes the best concepts and proposals of S. 3619 introduced by Senator Bayh, chairman of the Subcommittee on Disaster Relief, and S. 3745, introduced by Senator Cooper, ranking minority member of the full Committee on Public Works, on behalf of the administration. Specifically, the following provisions from S. 3475 are included in the committee bill:

1. Provision for removal of the "emergency repair or temporary replacement" criteria of work on essential public facilities, with the proviso that the Federal cost of permanent repair or replacement not exceed the net worth of the facility to its predisaster capacity.

2. Provisions to allow the President to contract or make agreements with private relief organizations in order that the activities of these organizations can be coordinated by appropriate officials and conditioning of such agreements on compliance with Title VI of the Civil Rights Act of 1964.

3. Provisions to provide for forgiveness of up to \$2,500 on losses or damage in excess of \$500 on the principle of an SBA or FHA disaster loan.

4. Provision that the State planning program would be an ongoing activity rather than expire on December 31, 1970. Additionally, provisions to limit the amount of assistance available to any one State to \$25,000 per annum and in amounts which shall comprise more than 50 percent of the total cost of such planning.

5. Provision that debris-clearance assistance to the States and local governments not be made unless the State or local jurisdiction agrees to unconditionally indemnify the Federal Government from any claims arising as a consequence of the debris removal.

6. Provision to establish a community disaster loan fund in the Treasury for assistance to local communities suffering substantial loss because of a major disaster.

7. Provision to authorize assistance in advance of an imminent disaster.

8. Provisions dealing with antidiscrimination in the administration of assistance; with the establishment of advisory groups on disaster relief, and on the assignment of advisory personnel to local communities.

In addition, the President's program improvements to be achieved administratively have been accomplished or are well underway:

A National Council on Federal Disaster Assistance has been established. The Council brings together senior level officials of Federal agencies to improve coordination of Federal assistance efforts.

One-stop centers—the concept has been tried and proven in the recent Lubbock and Corpus Christi, Tex., disasters, making it easier for disaster victims to get information and assistance.

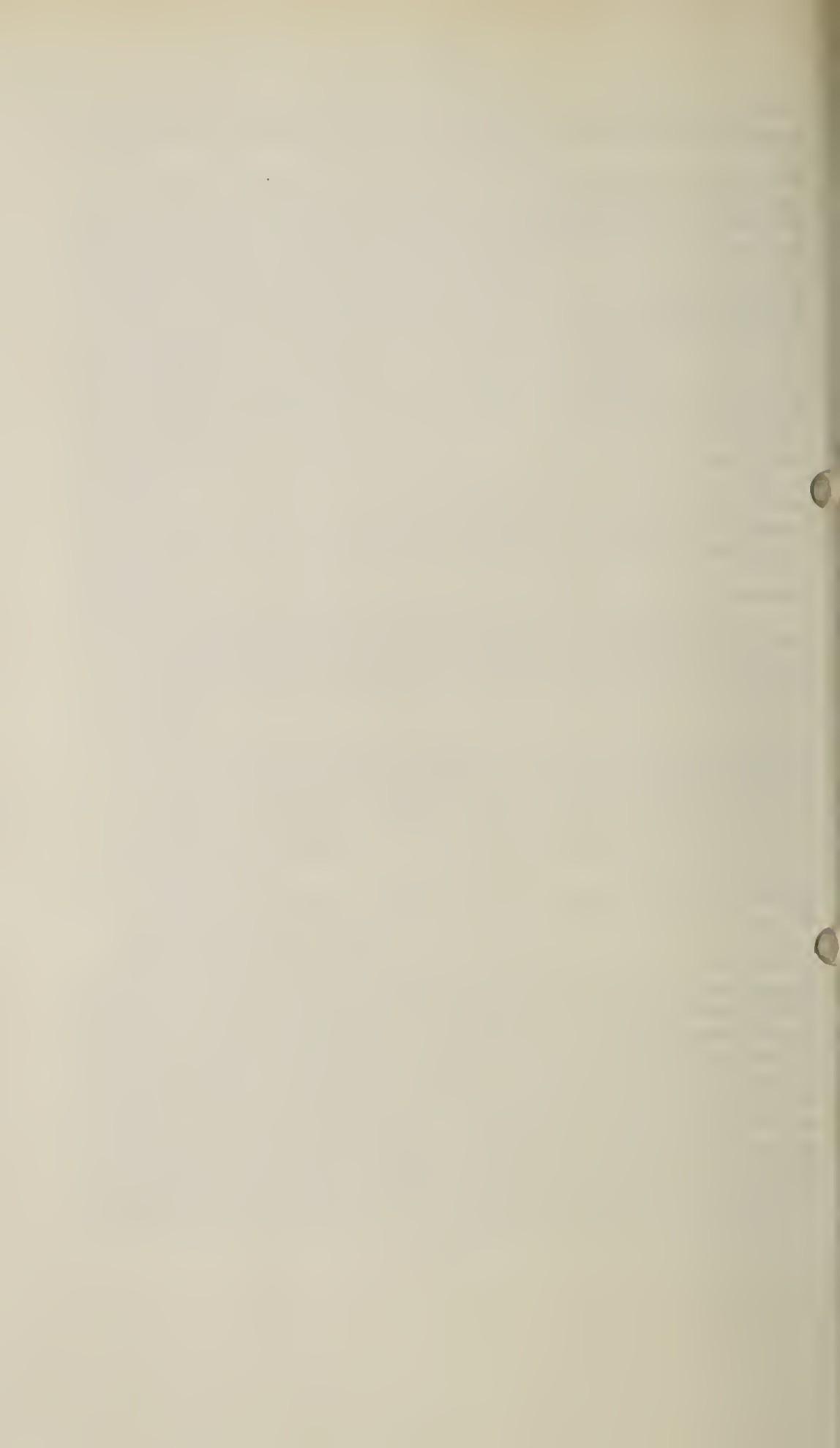
Disaster assistance teams—teams of knowledgeable Federal officials, supervised by OEP disaster assistance coordinators, are helping communities and individuals in disaster relief and recovery efforts.

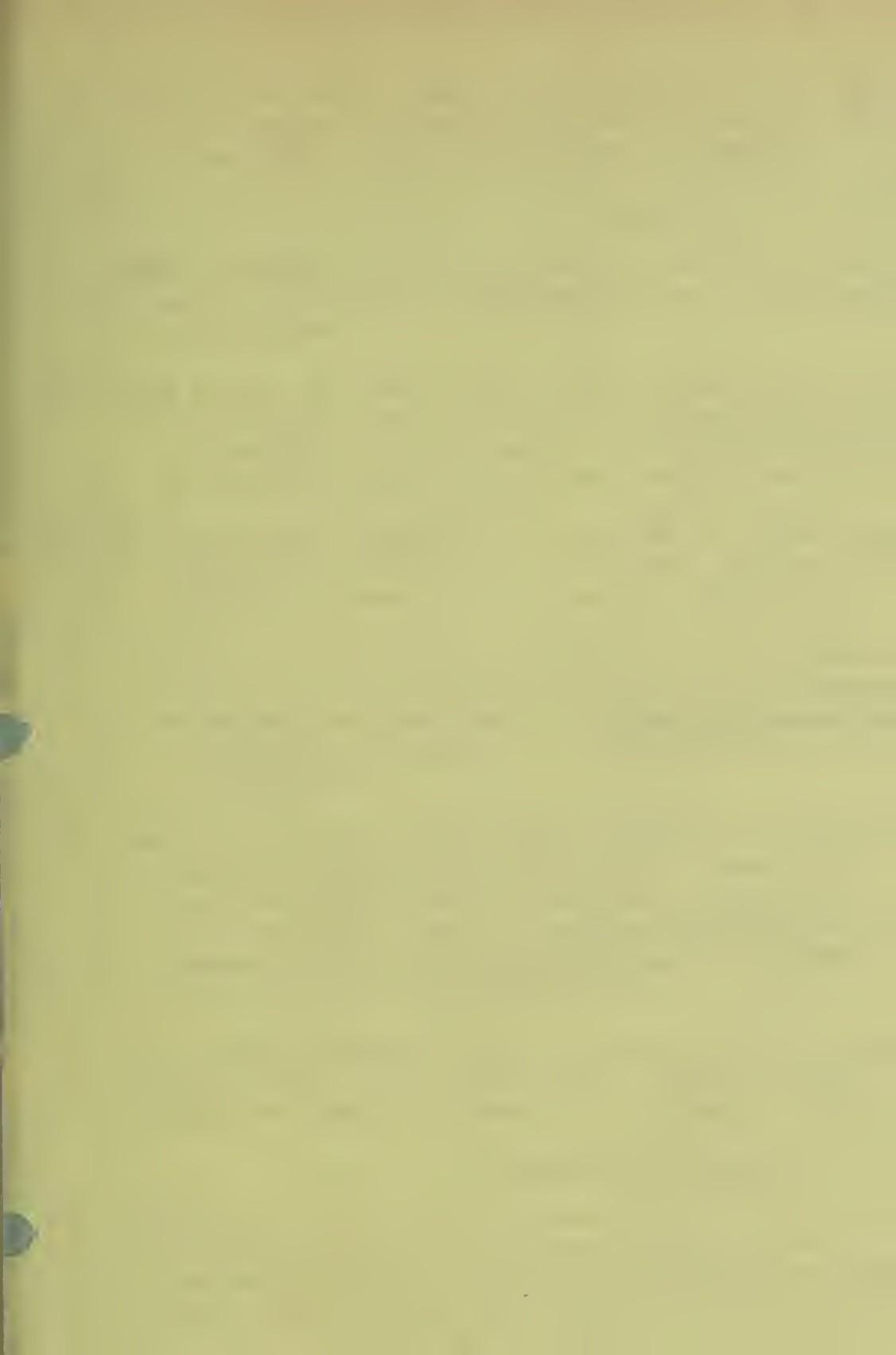
Disaster research—within OEP, a research effort is being initiated, wherein the agency serves as the clearinghouse on all disaster-related research.

As the President said in his disaster message, “* * * the general framework of our present program provides an effective mechanism for channeling Federal disaster assistance to individuals and communities”, but this legislation for the first time consolidates our major disaster assistance programs and provides additional assistance in areas in which we have been deficient in the past. It is the result of bipartisan efforts of members of the committee and the responsible officials in the executive branch. As ranking minority member of the Subcommittee on Disaster Relief, I join my colleagues in favorably reporting the Disaster Assistance Act of 1970, and allow us, in the President's words, “as we move into a new decade * * * to respond effectively when nature gets out of control and victimizes our citizens.”









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9. FOREIGN CURRENCIES. Received a report from the Export Marketing Service on agreements signed during July and August, 1970, under P. L. 480; to the Committee on Agriculture. p. H8502

SENATE

10. DAIRY IMPORTS. Sen. Moss contested the importation of "dairy equivalents" and placed in the Record his protest to the Tariff Commission. pp. S15034-5
11. FARM BILL. Sen. Smith, Ill., and others, submitted Amendment No. 883 to the Agricultural Act of 1970 to establish improved programs for the benefit of producers and consumers of dairy products, wool, wheat, feed grains, cotton, and other commodities. p. S15005
12. MIGRANT WORKERS; DRUGS. Sen. Mondale protested the testing of the drug "Ritalin" on the children of migrant workers in Florida, submitting various newspaper articles on the subject for the Record. pp. S15028-30
13. DISASTER ASSISTANCE; FHA. Passed S. 3619 to establish a comprehensive Federal program for disaster relief and assistance, adopting committee substitute amendment and the Yarborough amendment making Recovery Assistance provisions of the bill applicable to FHA emergency loans. pp. S15093-116
14. EMPLOYEE HEALTH BENEFITS. Reconsidered its favorable action on H. R. 16968, to increase the Federal government contribution under the Federal Employee Health Benefits Program striking out all language after the enacting clause and substituting therefor the language of S. 1772; passed the bill as amended and then indefinitely postponed further action thereon. p. S15093
15. LEGISLATIVE PROGRAM. Sen. Mansfield announced leadership agreement to a double shift, with call of the calendar at 5p.m. each day, at which time the pending business will be laid aside. p. S14983

EXTENSION OF REMARKS

16. PESTICIDES. Rep. Dingell called attention to two articles, one criticizing the Department's position on the use of DDT and one citing the use of radiation breeding as a means to control mosquitoes and other insect pests. pp. E8061-2
17. EMPLOYMENT. Rep. Mahon inserted a release highlighting the civilian personnel report for July 1970, of the Joint Committee on Reduction of Federal Expenditures. p. E8009
18. CONSERVATION. Rep. McMillan placed in the Record a sermon delivered on Soil Conservation Sunday, in which the destruction of the earth's resources was condemned by Rev. S. George Lovell. pp. E8018-9
19. FARMERS. Rep. Kleppe commended an editorial highlighting comments by Rep. May on behalf of the farmers of the nation and their role as the "consumer's protector". pp. E8020-1

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BILLS INTRODUCED

20. VETERANS BENEFITS. H. R. 19070, by Rep. Bennett; to permit the release of veterans from liability to the United States arising out of loans guaranteed, insured or made under chapter 37 of title 38, United States Code, and to eliminate fraud from the Federal home loan and mortgage insurance programs; to the Committee on Veterans' Affairs.
21. FLOOD CONTROL. H. R. 19081, by Rep. Langen; to provide for the re-authorization of the project on the Red River of the North at East Grant Forks, Minn., in the interest of flood control and allied purposes; to the Committee on Public Works.
22. HOUSING. H. R. 19086, by Rep. Rodino; to assist in the provisions of housing for the elderly; to the Committee on Banking and Currency.
23. ENVIRONMENT. H. R. 19088, by Rep. Rogers, Fla., et al; to amend the National Environmental Policy Act of 1969 to require a longer period of notice before a Federal agency commences any action significantly affecting the environment; to the Committee on Merchant Marine and Fisheries.
H. R. 19095, by Rep. Tiernan; to establish a Commission on Fuels and Energy to recommend programs and policies intended to insure, through maximum use of indigenous resources, that the United States requirements for low-cost energy be met, to reconcile environmental quality requirements with future energy needs; to the Committee on Interstate and Foreign Commerce.
24. FISH. H. R. 19098, by Rep. Hanna; a bill to provide protection for the fish resources of the United States including the freshwater and marine fish cultural industries against the introduction and dissemination of diseases of fish and shellfish, for the study of water pollution and fish diseases; to the Committee on Merchant Marine and Fisheries.
Remarks of author pp. E8050-1
25. URBAN DEVELOPMENT. H. R. 19100, by Rep. Patman, et al; to provide for the establishment of a national urban growth policy, to encourage and support the proper growth and development of our States, metropolitan areas, cities, counties, and towns with emphasis upon new community and inner city development, to extend and amend laws relating to housing and urban development; to the Committee on Banking and Currency.
26. SALARIES. H. R. 19102, by Rep. Wydler, to provide for a temporary reduction in the salaries of certain officials of the Federal Government; to the Committee on Post Office and Civil Service.
27. ENVIRONMENT. H. R. 19077, by Rep. Dingell, et al, to amend the National Environmental Policy Act of 1969 to require a longer period of notice before a Federal agency commences any action significantly affecting the environment; to the Committee on Merchant Marine and Fisheries.





chapter shall be adjusted on the first day of the first pay period of each year to an amount equal to 40 percent of the average of the subscription charges in effect on the beginning date of the adjustment, with respect to self alone or self and family enrollments, as applicable, for the highest level of benefits offered by—

- (1) the service benefits plan;
- (2) the indemnity benefit plan;
- (3) the two employee organization plans with the largest number of enrollments, as determined by the Commission; and
- (4) the two comprehensive medical plans with the largest number of enrollments, as determined by the Commission.

SEC. 3. (a) Section 8901(3)(B) of title 5, United States Code, is amended to read as follows:

"(B) a member of a family who receives an immediate annuity as the survivor of an employee or of a retired employee described by subparagraph (A) of this paragraph;".

(b) Section 8901(3)(D)(i) of title 5, United States Code, is amended by striking out ", having completed 5 or more years of service.".

SEC. 4. (a) Section 8907(a)(B) of title 5, United States Code, is amended by inserting "and the Panama Canal Zone" immediately before the semicolon at the end thereof.

(b) Section 8901(1)(ii) of title 5, United States Code, is amended by inserting "and the Panama Canal Zone" immediately before the semicolon at the end thereof.

SEC. 5. (a) The Retired Federal Employees Health Benefits Act (74 Stat. 849; Public Law 86-724) is amended as follows:

(1) Section 2(4) is amended by inserting immediately before the period at the end thereof a comma and the following: "and includes the Social Security Administration for purposes of supplementary medical insurance provided by part B of title XVIII of the Social Security Act";

(2) Sections 4(a) and 6(a) are each amended by adding at the end thereof the following sentence: "The immediately preceding sentence shall not apply with respect to the plan for supplementary medical insurance provided by part B of title XVIII of the Social Security Act.", and

(3) Section 9 is amended by adding at the end thereof the following subsection:

"(f) Notwithstanding any other provision of law, there shall be no recovery of any payments of Government contributions under section 4 or 6 of this Act from any person when, in the judgment of the Commission, such person is without fault and recovery would be contrary to equity and good conscience.".

(b) The amendments made by subsection (a) of this section shall become effective on October 1, 1970.

Mr. PELL. Mr. President, there is a technical committee amendment at the desk, and I call it up.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

On page 2, line 7, after the word "after" strike out "July" and insert "October".

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. PELL. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of H.R. 16968.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 16968) to provide for the adjustment of the Government contribution with respect to the health benefits coverage of Federal employees and annuitants, and for other purposes.

S. 696

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. PELL. Mr. President, I move to strike out all after the enacting clause of H.R. 16968 and to insert in lieu thereof the text of S. 1772, as amended.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Rhode Island.

Mr. GRIFFIN. I wish to indicate for the RECORD that this procedure has been cleared with Senators on this side of the aisle so far as the committee is concerned, and there is no objection of which I am aware.

The motion was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER (Mr. Moss). The Chair would state that on H.R. 16968, just passed by the Senate, the title will be appropriately amended.

The PRESIDING OFFICER (Mr. Moss). The bill having been read the third time, the question is, Shall it pass?

The bill was passed.

Mr. PELL. Mr. President, I ask unanimous consent that S. 1772 be postponed indefinitely.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMISSION ON THE ORGANIZATION OF THE DISTRICT OF COLUMBIA

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1134, H.R. 18725.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows: H.R. 18725, to establish a Commission on the Organization of the Government of the District of Columbia and to provide for a Delegate to the House of Representatives from the District of Columbia.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. ALLEN. Mr. President, I oppose the bill providing for a delegate from the District of Columbia in the U.S. House of Representatives. The District of Columbia is the seat of government of the Government of the United States of America. As such seat of government it belongs to all of the people of the United States, and is represented by 100 Senators and 435 Representatives. Each House of Congress has an able and dedicated Committee for the District of Columbia. Furthermore, the city of Washington has a municipal government which provides municipal services to the residents of Washington.

When the framers of the Constitu-

tion included a reference to a Federal district for the seat of government, it was their intent that the Congress should be protected from local political pressures during its deliberations.

I regard this bill as an entering wedge toward providing two U.S. Senators and one or two U.S. Representatives for the District of Columbia.

The bill is unwise and will start a chain reaction that will be extremely undesirable.

My vote will be cast against H.R. 18725.

The bill was ordered to a third reading, was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I move that the vote by which the bill was passed be reconsidered.

Mr. BYRD of West Virginia and Mr. PELL moved that the motion to reconsider be laid on the table.

The motion to lay on the table was agreed to.

OFFICE OF DISASTER ASSISTANCE

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1175, S. 3619.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows: S. 3619, to create, within the Office of the President, an Office of Disaster Assistance, to revise and expand Federal programs for relief from the effects of major disasters, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Public Works with an amendment, to strike out all after the enacting clause and insert:

That this Act may be cited as the "Disaster Assistance Act of 1970".

TITLE I—FINDINGS AND DECLARATIONS; DEFINITIONS

FINDINGS AND DECLARATIONS

SEC. 101. (a) The Congress hereby finds and declares that—

(1) because loss of life, human suffering, loss of income, and property loss and damage result from major disasters such as hurricanes, tornadoes, storms, floods, high waters, wind-driven waters, tidal waves, earthquakes, droughts, fires, and other catastrophes; and

(2) because such disasters disrupt the normal functioning of government and the community, and adversely affect individual persons and families with great severity; special measures, designed to expedite the rendering of aid, assistance, and emergency welfare services, and the reconstruction and rehabilitation of devastated areas, are necessary.

(b) It is the intent of the Congress, by this Act, to provide an orderly and continuing means of alleviating the suffering and damage which result from such disasters by

(1) revising and broadening the scope of existing major disaster relief programs;

(2) encouraging the development of comprehensive disaster relief plans, programs, and organizations by the States; and

(3) achieving greater coordination and responsiveness of Federal major disaster relief programs.

DEFINITIONS

SEC. 102. As used in this Act—

(1) "major disaster" means any hurricane, tornado, storm, flood, high water, wind-driven water, tidal wave, earthquake, drought, fire, or other catastrophe in any part of the United States, which in the determination of the President, is or threatens to be of sufficient severity and magnitude to warrant disaster assistance by the Federal Government to supplement the efforts and available resources of States, local governments, and relief organizations in alleviating the damage, loss, hardship, or suffering caused thereby, and with respect to which the Governor of any State in which such catastrophe occurs or threatens to occur certifies the need for disaster assistance under this Act and gives assurance of the expenditure of a reasonable amount of the funds of such State, its local governments, or other agencies for alleviating the damage, loss, hardship or suffering resulting from such catastrophe;

(2) "United States" means the fifty States, the District of Columbia, Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Trust Territory of the Pacific Islands;

(3) "State" means any State of the United States, the District of Columbia, Puerto Rico, the Virgin Islands, Guam, American Samoa, or the Trust Territory of the Pacific Islands;

(4) "Governor" means the chief executive of any State;

(5) "local government" means any county, city, village, town, district, or other political subdivision of any State, and includes any rural community or unincorporated town or village for which an application for assistance is made by a State or political subdivision thereof;

(6) "Federal agency" means any department, independent establishment, Federal corporation, or other agency of the executive branch of the Federal Government, except the American National Red Cross; and

(7) "Director" means the Director of the Office of Emergency Preparedness.

TITLE II—THE ADMINISTRATION OF DISASTER ASSISTANCE

PART A—GENERAL PROVISIONS

FEDERAL COORDINATING OFFICER

Sec. 201. (a) The President shall appoint, immediately upon his designation of a major disaster area, a Federal coordinating officer to operate under the Office of Emergency Preparedness in such area.

(b) In order to effectuate the purposes of this Act, the coordinating officer, within the designated area, shall

(1) make an initial appraisal of the types of relief most urgently needed;

(2) establish such field offices as he deems necessary and as are authorized by the Director;

(3) coordinate the administration of relief, including activities of the American National Red Cross and of other relief organizations which agree to operate under his advice or direction; and

(4) take such other action, consistent with authority delegated to him by the Director, and consistent with the provisions of this Act, as he may deem necessary to assist local citizens and public officials in promptly obtaining assistance to which they are entitled.

EMERGENCY SUPPORT TEAMS

Sec. 202. The Director is authorized to form emergency support teams of personnel to be deployed in a major disaster area. Such emergency support teams shall assist the Federal coordinating officer in carrying out his responsibilities pursuant to section 201(b) of this Act.

COOPERATION OF FEDERAL AGENCIES

Sec. 203. (a) In any major disaster, Federal agencies are hereby authorized, on di-

rection of the President, to provide assistance by—

(1) utilizing or lending, with or without compensation therefor, to States and local governments, their equipment, supplies, facilities, personnel, and other resources, other than the extension of credit under the authority of any Act;

(2) distributing or rendering, through the American National Red Cross, other relief and disaster assistance organizations, or otherwise, medicine, food, and other consumable supplies, or emergency assistance;

(3) donating or lending equipment and supplies determined in accordance with applicable laws to be surplus to the needs and responsibilities of the Federal Government; and

(4) performing on public or private lands or waters any emergency work essential for the protection and preservation of life and property, including—

(A) clearing and removing debris and wreckage;

(B) making repairs to, or restoring to service, public facilities, belonging to State or local governments, which were damaged or destroyed by a major disaster except that the Federal contribution therefor shall not exceed the net cost of restoring such facilities to their capacity prior to such disaster;

(C) providing emergency shelter for individuals and families who, as a result of a major disaster, require such assistance; and

(D) making contributions to State or local governments for the purpose of carrying out the provisions of paragraph (4).

(b) Emergency work performed under subsection (a)(4) of this section shall not preclude Federal assistance under any other section of this Act.

(c) Federal agencies may be reimbursed for expenditures under section 203(a) from funds appropriated for the purposes of this Act. Any funds received by Federal agencies as reimbursement for services or supplies furnished under the authority of this section shall be deposited to the credit of the appropriation or appropriations currently available for such services or supplies.

(d) The Federal Government shall not be liable for any claim based upon the exercise or performance or the failure to exercise or perform a discretionary function or duty on the part of a Federal agency or an employee of the Federal Government in carrying out the provisions of this section.

(e) Any Federal agency designated by the President to exercise authority under this Act may establish such special groups, interdepartmental or otherwise, as it deems appropriate to assist in carrying out the provisions of law relating to Federal disaster preparedness and assistance, and the funds of any such agency may be utilized for the necessary expenses of any group so established.

(f) In carrying out the purposes of this Act, any Federal agency is authorized to accept and utilize the services or facilities of any State or local government, or of any agency, office, or employee thereof, with the consent of such government. Any Federal agency, in performing any activities under this section, is authorized to appoint and fix the compensation of such temporary personnel as may be necessary, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of such title relating to classification and General Schedule pay rates, to employ experts and consultants in accordance with the provisions of section 3109 of such title, and to incur obligations on behalf of the United States by contract or otherwise for the acquisition, rental, or hire of equipment, services, materials, and supplies for shipping, drayage, travel, and communication, and for the supervision and administration of such activi-

ties. Such obligations, including obligations arising out of the temporary employment of additional personnel, may be incurred by an agency in such amount as may be made available to it by the President.

(g) In the interest of providing maximum mobilization of Federal assistance under this Act, the President is authorized to coordinate in such manner as he may determine the activities of Federal agencies in providing disaster assistance. The President may direct any Federal agency to utilize its available personnel, equipment, supplies, facilities, and other resources in accordance with the authority herein contained. The President may prescribe such rules and regulations as may be necessary and proper to carry out any of the provisions of this Act, and he may exercise any power or authority conferred on him by any section of this Act either directly or through such Federal agency as he may designate.

(h) The President, acting through the Office of Emergency Preparedness, shall conduct periodic reviews (at least annually) of the activities of Federal and State departments or agencies providing disaster assistance, in order to assure maximum coordination of such programs, and to evaluate progress being made in the development of Federal, State, and local preparedness to cope with major disasters.

USE OF LOCAL FIRMS AND INDIVIDUALS

Sec. 204. In the expenditure of Federal funds for debris clearance, distribution of supplies, reconstruction, and other major disaster assistance activities which may be carried out by contract with private organizations, firms, or individuals, preference shall be given, to the extent feasible and practicable, to those organizations, firms, and individuals who reside or do business primarily in the disaster area.

FEDERAL GRANT-IN-AID PROGRAMS

Sec. 205. Any Federal agency charged with the administration of a Federal grant-in-aid program is authorized, if so requested by the applicant State or local authorities, to modify or waive, for the duration of a major disaster proclamation, such conditions for assistance as would otherwise prevent the giving of assistance under such programs if the inability to meet such conditions is a result of the disaster.

STATE DISASTER PLANS

Sec. 206. (a) The President is authorized to provide assistance to the States in developing comprehensive plans and practicable programs for preparation against major disasters, and for relief and assistance for individuals, businesses, and local governments following such disaster. Such plans should include long-range recovery and reconstruction assistance plans for seriously damaged or destroyed public and private facilities.

(b) The President is authorized to make grants of not more than \$250,000 to any State, upon application therefor, for not to exceed 50 per centum of the cost of developing such plans and programs.

(c) Any State desiring assistance under this section shall designate or create an agency which is specially qualified to plan and administer such a disaster relief program, and shall, through such agency, submit a State plan to the President, which shall—

(1) set forth a comprehensive and detailed State program for preparation against, and relief following, a major disaster, including provisions for emergency and long-term assistance to individuals, businesses, and local governments; and

(2) include provision for the appointment of a State coordinating officer to act in cooperation with the Federal coordinating officer appointed under section 201 of this Act.

(d) From time to time the Director shall make a report to the President, for submission to the Congress, containing his recommendations for programs for the Federal role in the implementation and funding of comprehensive disaster relief plans, and such other recommendations relating to the Federal role in disaster relief activities as he deems warranted.

(e) The President is authorized to make grants not to exceed \$25,000 per annum to any State in an amount not to exceed 50 per centum of the cost for the purpose of improving, maintaining, and updating that State's disaster assistance plans.

USE AND COORDINATION OF RELIEF ORGANIZATIONS

SEC. 207. (a) In providing relief and assistance following a major disaster, the Director may utilize, with their consent, the personnel and facilities of the American National Red Cross, the Salvation Army, the Mennonite Board of Missions and Charities, and other relief or disaster assistance organizations, in the distribution of medicine, food, supplies, or other items, and in the restoration, rehabilitation, or reconstruction of community services and essential facilities, whenever the Director finds that such utilization is necessary.

(b) The Director is authorized to enter into agreements with the American National Red Cross and other relief or disaster assistance organizations under which the disaster relief activities of such organizations may be coordinated by the Federal coordinating officer whenever such organizations are engaged in providing relief during and after a major disaster. Any such agreement shall include provisions conditioning use of the facilities of the Office of Emergency Preparedness and the services of the coordinating officer upon compliance with regulations promulgated by the Director under sections 208 and 209 of this Act, and such other regulations as the Director may require.

DUPLICATION OF BENEFITS

SEC. 208. (a) The Director, in consultation with the head of each Federal agency administering any program providing financial assistance to persons, business concerns, or other entities suffering losses as the result of a major disaster, shall assure that no such person, business concern, or other entity will receive such assistance with respect to any part of such loss as to which he has received financial assistance under any other program.

(b) The Director shall assure that no person, business concern, or other entity receives any Federal assistance for any part of a loss suffered as the result of a major disaster if such person, concern, or entity received compensation from insurance or any other source for that part of such a loss. Partial compensation for a loss or a part of a loss resulting from a major disaster shall not preclude additional Federal assistance for any part of such a loss not compensated otherwise.

(c) Whenever the Director determines (1) that a person, business concern, or other entity has received assistance under this Act for a loss and that such person, business concern or other entity received assistance for the same loss from another source, and (2) that the amount received from all sources exceeded the amount of the loss, he shall direct such person, business concern, or other entity to pay to the Treasury an amount, not to exceed the amount of Federal assistance received, sufficient to reimburse the Federal Government for that part of the assistance which he deems excessive.

NONDISCRIMINATION IN DISASTER ASSISTANCE

SEC. 209. (a) The Director shall issue, and may alter and amend, such regulations as may be necessary for the guidance of personnel carrying out emergency relief functions at the site of a major disaster. Such regula-

tions shall include provisions for insuring that the distribution of supplies, the processing of applications, and other relief and assistance activities shall be accomplished in an equitable and impartial manner, without discrimination on the grounds of race, color, religion, nationality, sex, age, or economic status prior to a major disaster.

(b) As a condition of participation in the distribution of assistance or supplies under section 207, relief organizations shall be required to comply with regulations relating to nondiscrimination promulgated by the Director, and such other regulations applicable to activities within a major disaster area as he deems necessary for the effective coordination of relief efforts.

ADVISORY PERSONNEL

SEC. 210. The Director is authorized to assign advisory personnel to the chief executive officer of any State or local government within a major disaster area, upon request by such officer, whenever the Director determines that such assignment is desirable in order to insure full utilization of relief and assistance resources and programs.

DISASTER WARNINGS

SEC. 211. The President is authorized to utilize or to make available to Federal, State, and local agencies the facilities of the civil defense communications system established and maintained pursuant to section 201(c) of the Federal Civil Defense Act of 1950, as amended (50 U.S.C. app. 2281(c)), for the purpose of providing needed warning to governmental authorities and the civilian population in areas endangered by imminent major disasters.

PART B—EMERGENCY RELIEF

PREDISASTER ASSISTANCE

SEC. 221. To avert or lessen the effects of a major disaster, the President is authorized, without declaring a major disaster, to utilize Federal resources in providing disaster assistance to any State to assist such State or any local government thereof in circumstances which clearly indicate the imminent occurrence of a major disaster.

EMERGENCY COMMUNICATIONS

SEC. 222. The Director is authorized to establish emergency communications in any major disaster area in order to carry out the functions of his office, and to make such communications available to State and local government officials and other persons as he deems appropriate.

EMERGENCY PUBLIC TRANSPORTATION

SEC. 223. The Director is authorized to provide public transportation service to meet emergency needs in a major disaster area. Such service will provide transportation to governmental offices, supply centers, stores, post offices, schools, major employment centers, and such other places as may be necessary in order to enable the community to resume its normal pattern of life as soon as possible.

DEBRIS REMOVAL GRANTS

SEC. 224. The President, whenever he determines it to be in the public interest, is authorized to make grants to any State or local government for the purpose of removing debris on privately owned lands or waters as a result of a major disaster, and is authorized to make payments through such State or local government for the removal of debris from community areas which may include the private property of an individual. No benefits will be available under this section unless such State or local government arranges unconditional authorization for removal of debris from such property and agrees to indemnify the Federal Government against any claims arising from such debris removal.

FIRE SUPPRESSION GRANTS

SEC. 225. The President is authorized to provide assistance, including grants, to any

State for the suppression of any fire on publicly or privately owned forest or grassland which threatens such destruction as would constitute a major disaster.

TEMPORARY HOUSING ASSISTANCE

SEC. 226. (a) The Director is authorized to provide on a temporary basis, as prescribed in this section, dwelling accommodations for individuals and families who, as a result of a major disaster, are in need of assistance by (1) using any unoccupied housing owned by the United States under any program of the Federal Government, (2) arranging with a local public housing agency for using unoccupied public housing units, or (3) acquiring existing dwellings or mobile homes or other readily fabricated dwellings, by purchase or lease. Notwithstanding any other provision of law, any existing dwellings, mobile homes, or readily fabricated dwellings acquired by purchase may be sold directly to individuals and families who are occupants of such temporary accommodations at prices that are fair and equitable. Any mobile home or readily fabricated dwelling shall be placed on a site complete with utilities provided by State or local government, or by the owner or occupant of the site who was displaced by the major disaster, without charge to the United States. However, the Director may elect to provide other more economical and accessible sites at Federal expense when he determines such action to be in the public interest.

(b) After the initial ninety days of occupancy without charge, rental shall be established for such accommodations, under such rules and regulations as the Director may prescribe taking into account the financial resources of the occupant. In case of financial hardship, rentals may be compromised, adjusted, or waived for a period not to exceed twelve months from the date of occupancy, but in no case shall any such individual or family be required to incur a monthly housing expense (including any fixed expense relating to the amortization of debt owing on a house destroyed or damaged in a major disaster) which is excess of 25 per centum of the monthly income of the occupant or occupants.

(c) The Director is further authorized to provide assistance on a temporary basis in the form of mortgage or rental payments to or on behalf of individuals and families who, as a result of financial hardship caused by a major disaster, have received written notice of dispossession or eviction from a residence by reason of foreclosure of any mortgage or lien, cancellation of any contract of sale, or termination of any lease, oral or written. Such assistance shall be provided for a period of not to exceed one year or for the duration of the period of financial hardship, whichever is the lesser. The Director shall, for the purposes of this subsection and in furtherance of the purposes of section 240 of this Act, provide reemployment assistance services to individuals who are unemployed as a result of a major disaster.

PART C—RECOVERY ASSISTANCE

SMALL BUSINESS DISASTER LOANS

SEC. 231. (a) In the administration of the disaster loan program under section 7(b)(1) of the Small Business Act, as amended (15 U.S.C. 636(b)), in the case of property loss or damage resulting from a major disaster as determined by the President or a disaster as determined by the Administrator, the Small Business Administration—

(1) to the extent such loss or damage is not compensated for by insurance or otherwise, (A) shall, on that part of any loan in excess of \$500, cancel the principal of the loan, except that the total amount so canceled shall not exceed \$2,500, and (B) may defer interest payments or principal payments, or both, in whole or in part, on such loan during the first three years of the term

of the loan without regard to the ability of the borrower to make such payments;

(2) may make any loan for the repair, rehabilitation, or replacement of property damaged or destroyed, without regard to whether the required financial assistance is otherwise available from private sources; and

(3) in the case of the total destruction of, or substantial property damage to a home or business concern, may refinance any mortgage or other liens outstanding against the destroyed or damaged property if such refinancing is for the repair, rehabilitation, or replacement of property damaged or destroyed as a result of such disaster and any such refinancing shall be subject to the provisions of clauses (1) and (2) of this subsection.

(b) Section 7 of the Small Business Act is amended—

(1) by revising paragraph (2) of subsection (b) to read as follows:

"(2) to make such loans (either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis) as the Administration may determine to be necessary or appropriate to any small business concern located in an area affected by a disaster, if the Administration determines that the concern has suffered a substantial economic injury as a result of such disaster;"

(2) by striking from the second sentence of subsection (b) the following: "meeting the requirements of clause (A) or (B) of paragraph (2) of this subsection,"; and

(3) by striking from subsection (f) the following: "in the case of property loss or damage as the result of a disaster which is a 'major disaster' as defined in section 2(a) of the Act of September 30, 1950 (42 U.S.C. 1855a(a)),".

FARMERS HOME ADMINISTRATION EMERGENCY LOANS

SEC. 232. In the administration of the emergency loan program under subtitle C of the Consolidated Farmers Home Administration Act of 1961, as amended (7 U.S.C. 1961-1967), and the rural housing loan program under section 502 of title V of the Housing Act of 1949, as amended (42 U.S.C. 1472), in the case of loss or damage, resulting from a major disaster, to property, including household furnishings, the Secretary of Agriculture—

(1) to the extent such loss or damage is not compensated for by insurance or otherwise, (A) shall, on that part of any loan in excess of \$500, cancel the principal of the loan, except that the total amount so cancelled shall not exceed \$2,500, and (B) may defer interest payments or principal payments, or both, in whole or in part, on such loan during the first three years of the term of the loan without regard to the ability of the borrower to make such payments;

(2) may grant any loan for the repair, rehabilitation, or replacement of property damaged or destroyed, without regard to whether the required financial assistance is otherwise available from private sources; and

(3) in the case of the total destruction of, or substantial property damage to a home or business concern may refinance any mortgage or other liens outstanding against the destroyed or damaged property if such refinancing is for the repair, rehabilitation, or replacement of property damaged or destroyed as a result of such disaster and any such refinancing shall be subject to the provisions of clauses (1) and (2) of this section.

LOANS HELD BY THE VETERANS' ADMINISTRATION

SEC. 233. (1) Section 1820(a)(2) of title 38, United States Code, is amended to read as follows:

"(2) subject to specific limitations in this chapter, consent to the modification, with respect to rate of interest, time of payment

of principal or interest or any portion thereof, security or other provisions of any note, contract, mortgage or other instrument securing a loan which has been guaranteed, insured, made or acquired under this chapter;"

(2) Section 1820(f) of title 38, United States Code, is amended to read as follows:

"(f) Whenever loss, destruction, or damage to any residential property securing loans guaranteed, insured, made, or acquired by the Administrator under this chapter occurs as the result of a major disaster as determined by the President under the Disaster Assistance Act of 1970, the Administrator shall (1) provide counseling and such other service to the owner of such property as may be feasible and shall inform such owner concerning the disaster assistance available from other Federal agencies and from State or local agencies, and (2) pursuant to subsection (a)(2) of this section, extend on an individual case basis such forbearance or indulgence to such owner as the Administrator determines to be warranted by the facts of the case and the circumstances of such owner."

DISASTER LOAN INTEREST RATES

SEC. 234. (a) Any loan made under the authority of sections 231, 232, 236(b), 237, or 241 of this Act shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods of maturity of ten to twelve years less not to exceed 2 per centum per annum.

(b) The next to the last sentence of section 7(b) of the Small Business Act is amended by striking out all that follows "exceed" and inserting in lieu thereof the following: "a rate determined by the Secretary of the Treasury taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods of maturity of ten to twelve years less not to exceed 2 per centum per annum."

AGE OF APPLICANT FOR LOANS

SEC. 235. In the administration of any Federal disaster loan program under the authority of sections 231, 232, or 233 of this Act, the age of any adult loan applicant shall not be considered in determining whether such loan should be made or the amount of such loan.

FEDERAL LOAN ADJUSTMENTS

SEC. 236. (a) In addition to the loan extension authority provided in section 12 of the Rural Electrification Act, the Secretary of Agriculture is authorized to adjust and readjust the schedules for payment of principal and interest on loans to borrowers under programs administered by the Rural Electrification Administration, and to extend the maturity date of any such loan to a date not beyond forty years from the date of such loan where he determines such action is necessary because of the impairment of the economic feasibility of the system, or the loss, destruction, or damage of the property of such borrowers as a result of a major disaster.

(b) The Secretary of Housing and Urban Development is authorized to refinance any note or other obligation which is held by him in connection with any loan made by the Department of Housing and Urban Development or its predecessor in interest, or which is included within the revolving fund for liquidating programs established by the Independent Offices Appropriation Act of 1955, where he finds such refinancing necessary because of the loss, destruction, or damage (as a result of a major disaster) to property or facilities securing such obligations. The Secretary may authorize a suspension in the payment of principal and interest charges on, and an additional extension in the maturity of, any such loan for a period not to

exceed five years if he determines that such action is necessary to avoid severe financial hardship.

AID TO MAJOR SOURCES OF EMPLOYMENT

SEC. 237. (a) The Small Business Administration in the case of a nonagricultural enterprise, and the Farmers Home Administration in the case of an agricultural enterprise, are authorized to provide any industrial, commercial, agricultural, or other enterprise, which has constituted a major source of employment in an area suffering a major disaster and which is no longer in substantial operation as a result of such disaster, a loan in such amount as may be necessary to enable such enterprise to resume operations in order to assist in restoring the economic viability of the disaster area. Loans authorized by this section shall be made without regard to limitations on the size of loans which may otherwise be imposed by any other provision of law or regulation promulgated pursuant thereto.

(b) Assistance under this section shall be in addition to any other Federal disaster assistance, except that such other assistance may be adjusted or modified to the extent deemed appropriate by the Director under the authority of section 208 of this Act. Any loan made under this section shall be subject to the interest requirements of section 234 of this Act, but the President, if he deems it necessary, may defer payments of principal and interest for a period not to exceed three years after the date of the loan.

FOOD COUPONS AND DISTRIBUTION

SEC. 238. (a) Whenever the President determines that, as a result of a major disaster, low-income households are unable to purchase adequate amounts of nutritious food, he is authorized, under such terms and conditions as he may prescribe, to distribute through the Secretary of Agriculture coupon allotments to such households pursuant to the provisions of the Food Stamp Act of 1964 and to make surplus commodities available pursuant to the provisions of section 203 of this Act.

(b) The President, through the Secretary of Agriculture is authorized to continue to make such coupon allotments and surplus commodities available to such households for so long as he determines necessary, taking into consideration such factors as he deems appropriate, including the consequences of the major disaster on the earning power of the households to which assistance is made available under this section.

(c) Nothing in this section shall be construed as amending or otherwise changing the provisions of the Food Stamp Act of 1964 except as they relate to the availability of food stamps in a major disaster area.

LEGAL SERVICES

SEC. 239. Whence the Director determines that income individuals are unable to secure legal services adequate to meet their needs as a consequence of a major disaster, he shall assure the availability of such legal services as may be needed by these individuals because of conditions created by a major disaster. Whenever feasible, and consistent with the goals of the program authorized by this section, the Director shall assure that the programs are conducted with the advice and assistance of appropriate Federal agencies and State and local bar associations.

UNEMPLOYMENT ASSISTANCE

SEC. 240. The President is authorized to provide to any individual unemployed as a result of a major disaster, such assistance as he deems appropriate while such individual is unemployed. Such assistance as the President shall provide shall not exceed the maximum amount and the maximum duration of payment under the unemployment compensation program of the State in which the disaster occurred, and the amount of assistance under this section to any such individual shall be reduced by any amount of

unemployment compensation or of private income protection insurance compensation available to such individual for such period of unemployment.

COMMUNITY DISASTER LOAN FUND

SEC. 241. (a) There is established within the Treasury a Community Disaster Loan Fund from which the President may authorize loans to local governments for the purposes of meeting payments of principal and interest on outstanding bonded indebtedness, for providing the local share of any Federal grant-in-aid program which is designed to assist in the restoration of an area damaged by a major disaster, or for providing and maintaining essential public services. Such loans shall be made only if the local government has suffered a loss of either more than 25 per centum of its tax base or such a substantial amount that it is otherwise unable to meet such payments, local share obligations, or the cost of essential public services.

(b) Loans from the Fund established by this section shall be without interest for the first two years, shall be made for such periods as may be necessary, not to exceed twenty years, and shall bear interest after the first two years at a rate prescribed in section 234. The President may defer initial payments on such a loan for a period not to exceed five years or half the term of the loan, whichever is less. Any loans under this section may be made for a local government's fiscal year in which the disaster occurred and for each of the following two fiscal years. Loans for any year shall not exceed the difference between the average annual property tax revenue received by the local government for the three-year period preceding the major disaster and the local government's accrued property tax revenue for each of the three years following the major disaster. For purposes of computations under this section, the tax rate and tax assessment valuation factors in effect at the time of the disaster shall not be reduced during the three-year period following the disaster.

(c) (1) The President may transfer to the Fund such sums as he may determine to be necessary from the appropriations available to him for disaster relief. All amounts received as interest payments or repayments of principal on loans, and any other moneys, property, or assets derived from operations in connection with this section shall be deposited to the Fund.

(2) All loans, expenses, and payments pursuant to operations under this section shall be paid from the Fund. From time to time, and at least at the close of each fiscal year, there shall be paid from the Fund into the Treasury, as miscellaneous receipts, interest on the average amount of appropriations accumulated as capital to the Fund, less the average undisbursed cash balance in the Fund during the year. The rate of such interest shall not exceed any rate determined under section 234 for loans from the Fund. Interest payments may be deferred with the approval of the Secretary of the Treasury, but any interest payments so deferred shall themselves bear interest. If at any time the President determines that moneys in the Fund exceed the present and any reasonably prospective future requirements of the Fund, such excess may be transferred to the general fund of the Treasury or to the appropriations available to the President for disaster relief.

(d) There are hereby authorized to be appropriated such sums, not to exceed \$100,000,000, as may be necessary to carry out the provisions of this section.

TIMBER SALE CONTRACTS

SEC. 242. (a) Where an existing timber sale contract between the Secretary of Agriculture or the Secretary of the Interior and a timber purchaser does not provide relief from major physical change not due to negli-

gence of the purchaser prior to approval of construction of any section of specified road or of any other specified development facility and, as a result of a major disaster, a major physical change results in additional construction work in connection with such road or facility by such purchaser with an estimated cost, as determined by the appropriate Secretary, (1) of more than \$1,000 for sales under one million board feet, (2) of more than \$1 per thousand board feet for sales of one to three million board feet, or (3) of more than \$3,000 for sales over three million board feet, such increased construction cost shall be borne by the United States.

(b) If the Secretary determines that damages are so great that restoration, reconstruction, or construction is not practical under the cost-sharing arrangement authorized by subsection (a) of this section, the Secretary may allow cancellation of the contract notwithstanding contrary provisions therein.

(c) The Secretary of Agriculture is authorized to reduce to seven days the minimum period of advance public notice required by the first section of the Act of June 4, 1897 (16 U.S.C. 476), in connection with the sale of timber from national forests, whenever the Secretary determines that (1) the sale of such timber will assist in the construction of any area of a State damaged by a major disaster, (2) the sale of such timber will assist in sustaining the economy of such area, or (3) the sale of such timber is necessary to salvage the value of timber damaged in such major disaster or to protect undamaged timber.

(d) The President, when he determines it to be in the public interest, and acting through the Director of Emergency Preparedness, is authorized to make grants to any State or local government for the purpose of removing from privately owned lands timber damaged as a result of a major disaster, and such State or local government is authorized upon application, to make payments out of such grants to any person for reimbursement of expenses actually incurred by such person in the removal of damaged timber, not to exceed the amount that such expenses exceed the salvage value of such timber.

PUBLIC LAND ENTRYMEN

SEC. 243. The Secretary of the Interior is authorized to give any public land entryman such additional time in which to comply with any requirement of law in connection with any public land entry for lands affected by a major disaster as the Secretary finds appropriate because of interference with the entryman's ability to comply with such requirement as a result of such major disaster.

MINIMUM STANDARDS FOR RESIDENTIAL STRUCTURE RESTORATION

SEC. 244. (a) No loan or grant made by any Federal agency, or by any relief organization operating under the supervision of the Director, for the repair, restoration, reconstruction, or replacement of any residential structure located in a major disaster area shall be made unless such structure will be repaired, restored, reconstructed, or replaced in accordance with such minimum standards of safety, decency, and sanitation as the Secretary of Housing and Urban Development may prescribe by regulation for such purpose, and in conformity with applicable building codes and specifications.

(b) In order to carry out the provisions of this section, the Secretary of Housing and Urban Development is authorized—

(1) to consult with such other officials in the Federal, State, and local governments as he deems necessary, in order that regulations prescribed under this section shall—

(A) carry out the purpose of this section; and

(B) have the necessary flexibility to be

consistent with requirements of other building regulations, codes, and program requirements applicable; and

(2) to promulgate such regulations as may be necessary.

PART D—RESTORATION OF PUBLIC FACILITIES FEDERAL FACILITIES

SEC. 251. The President may authorize any Federal agency to repair, reconstruct, restore, or replace any facility owned by the United States and under the jurisdiction of such agency which is damaged or destroyed by any major disaster if he determines that such repair, reconstruction, restoration, or replacement is of such importance and urgency that it cannot reasonably be deferred pending the enactment of specific authorizing legislation or the making of an appropriation for such purposes. In order to carry out the provisions of this section, such repair, reconstruction, restoration, or replacement may be begun notwithstanding a lack or an insufficiency of funds appropriated for such purpose, where such lack or insufficiency can be remedied by the transfer, in accordance with law, of funds appropriated for another purpose.

STATE AND LOCAL GOVERNMENT FACILITIES

SEC. 252. (a) The President is authorized to make contributions to State or local governments to repair, restore, reconstruct, or replace public facilities belonging to such State or local governments which were damaged or destroyed by a major disaster, except that the Federal contribution therefor shall not exceed 50 per centum of the net cost of restoring any such facility to its capacity prior to such disaster and in conformity with applicable codes and specifications.

(b) In the case of any such public facilities which were in the process of construction when damaged or destroyed by a major disaster, the Federal contribution shall not exceed 50 per centum of the net costs of restoring such facilities substantially to their prior to such disaster condition and of completing construction not performed prior to the major disaster to the extent the increase of such cost over the original construction cost is attributable to changed conditions resulting from a major disaster.

(c) For the purposes of this section "public facility" includes any flood control, navigation, irrigation, reclamation, public power, sewage treatment and collection, water supply and distribution, watershed development, or airport facility, any non-Federal-aid street road, or highway, and any other essential public facility.

PRIORITY TO CERTAIN APPLICATIONS FOR PUBLIC FACILITY AND PUBLIC HOUSING ASSISTANCE

SEC. 253. In the processing of applications for assistance, priority and immediate consideration may be given, during such period, not to exceed six months, as the President shall prescribe by proclamation, to applications from public bodies situated in major disaster areas, under the following Acts:

(1) title II of the Housing Amendments of 1955, or any other Act providing assistance for repair, construction, or extension of public facilities;

(2) the United States Housing Act of 1937 for the provision of low-rent housing;

(3) section 702 of the Housing Act of 1954 for assistance in public works planning;

(4) section 702 of the Housing and Urban Development Act of 1965 providing for grants for public facilities; or

(5) section 306 of the Consolidated Farmers Home Administration Act.

RELOCATION ASSISTANCE

SEC. 254. Notwithstanding any other provision of law or regulation promulgated thereunder, no person otherwise eligible for relocation assistance payments authorized under section 114 of the Housing Act of 1949 shall be denied such eligibility as a result of a

major disaster as determined by the President.

TITLE III—MISCELLANEOUS TECHNICAL AMENDMENTS

SEC. 301. (a) Section 701(a)(3)(B)(ii) of the Housing Act of 1954 (40 U.S.C. 461(a)(3)(B)(ii)) is amended to read as follows: "(ii) have suffered substantial damage as a result of a major disaster as determined by the President pursuant to the Disaster Assistance Act of 1970".

(b) Section 8(b)(2) of the National Housing Act (12 U.S.C. 1706c(b)(2)) is amended by striking out of the last proviso "section 2(a) of the Act entitled 'An Act to authorize Federal assistance to States and local governments in major disasters, and for other purposes (Public Law 875, Eighty-first Congress, approved September 30, 1950)" and inserting in lieu thereof "section 102(1) of the Disaster Assistance Act of 1970".

(c) Section 203(h) of the National Housing Act (12 U.S.C. 1709(h)) is amended by striking out "section 2(a) of the Act entitled 'An Act to authorize Federal assistance to States and local governments in major disasters and for other purposes' (Public Law 875, Eighty-first Congress, approved September 30, 1950), as amended" and inserting in lieu thereof "section 102(1) of the Disaster Assistance Act of 1970".

(d) Section 221(f) of the National Housing Act (12 U.S.C. 17151(f)) is amended by striking out of the last paragraph "the Act entitled 'An Act to authorize Federal assistance to States and local governments in major disasters, and for other purposes', approved September 30, 1950, as amended (42 U.S.C. 1855–1855g)" and inserting in lieu thereof "the Disaster Assistance Act of 1970".

(e) Section 7(a)(1)(A) of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress, as amended; 20 U.S.C. 241–1(a)(1)(A)), is amended by striking out "pursuant to section 2(a) of the Act of September 30, 1950 (42 U.S.C. 1855a(a))" and inserting in lieu thereof "pursuant to section 102(1) of the Disaster Assistance Act of 1970".

(f) Section 16(a) of the Act of September 23, 1950 (79 Stat. 1158; 20 U.S.C. 646(a)) is amended by striking out "section 2(a) of the Act of September 30, 1950 (42 U.S.C. 1855a(a))" and inserting in lieu thereof "section 102(1) of the Disaster Assistance Act of 1970".

(g) Section 408(a) of the Higher Education Facilities Act of 1963 (20 U.S.C. 758(a)) is amended by striking out "section 2(a) of the Act of September 30, 1950 (42 U.S.C. 1855a(a))" and inserting in lieu thereof "section 102(1) of the Disaster Assistance Act of 1970".

(h) Section 165(h)(2) of the Internal Revenue Code of 1954, relating to disaster losses (26 U.S.C. 165(h)(2)) is amended to read as follows:

"(2) occurring in an area subsequently determined by the President of the United States to warrant assistance by the Federal Government under the Disaster Assistance Act of 1970".

(i) Section 5064(a) of the Internal Revenue Code of 1954 (26 U.S.C. 5064(a)), relating to losses caused by disaster, is amended by striking out "the Act of September 30, 1950 (42 U.S.C. 1855)" and inserting in lieu thereof "the Disaster Assistance Act of 1970".

(j) Section 5708(a) of the Internal Revenue Code of 1954 (26 U.S.C. 5708(a)), relating to losses caused by disaster, is amended by striking out "the Act of September 30, 1950 (42 U.S.C. 1855)" and inserting in lieu thereof "the Disaster Assistance Act of 1970".

(k) Section 3 of the Act of June 30, 1954 (68 Stat. 330; 48 U.S.C. 1681), is amended by striking out of the last sentence "section 2 of the Act of September 30, 1950 (68 Stat. 1109), as amended (42 U.S.C. 1855a)" and inserting in lieu thereof "section 102(1) of the Disaster Assistance Act of 1970".

(1) Whenever reference is made in any provision of law (other than this Act), regulation, rule, record, or document of the United States to the Act of September 30, 1950 (64 Stat. 1109), or any provision of such Act, such reference shall be deemed to be a reference to the Disaster Assistance Act of 1970 or to the appropriate provision of the Disaster Assistance Act of 1970 unless no such provision is included therein.

REPEAL OF EXISTING LAW

SEC. 302. The following Acts are hereby repealed:

- (1) the Act of September 30, 1950 (64 Stat. 1109);
- (2) the Disaster Relief Act of 1966, except section 7 (80 Stat. 1316); and
- (3) the Disaster Relief Act of 1969 (83 Stat. 125).

AUTHORIZATION OF APPROPRIATIONS

SEC. 303. Except as provided otherwise in this Act, there are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

EFFECTIVE DATE

SEC. 304. This Act shall take effect immediately upon its enactment, except that sections 226(c), 237, 241, 252(a), and 254 shall take effect as of August 1, 1969.

Mr. STEVENS. Mr. President, I send to the desk an amendment and ask that it be stated—I will call it up later.

The assistant legislative clerk read as follows: On page 79, following line 2, insert the following new subsection:

(c) In the case of any loan made under section 7(b)(1) of the Small Business Act, as amended (15 U.S.C. 636(b)) as a result of the Good Friday earthquake, which occurred on March 27, 1964, the Small Business Administration shall, at the borrower's option, on that part of any loan in excess of \$500 cancel (i) the interest due on the loan, or (ii) the principal of the loan, or (iii) any combination of such interest or principal except that the total amount so canceled shall not exceed \$1,800.

Mr. STEVENS. Mr. President, I will call this amendment up at a later time.

The PRESIDING OFFICER. The amendment is withdrawn temporarily.

Mr. BAYH. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Indiana will state it.

Mr. BAYH. Is S. 3619 now the pending order of business before the Senate?

The PRESIDING OFFICER. That is correct. That is the pending business.

Mr. BAYH. I thank the Presiding Officer.

Mr. President, the hour is late and the Senator from Indiana does not want to spend a great deal of the time of my colleagues. Suffice it to say that this bill is a product of some 3 or 4 years' effort.

The Senator from Alabama (Mr. SPARKMAN) is now in the Chamber. I should like to say that we are deeply indebted to him for the efforts his committee, the Banking and Currency Committee, expended in helping with this bill.

It is only fair to say, and perhaps the Senator from Kansas (Mr. DOLE) will want to verify this, that the administration has been very helpful.

Mr. President, the Committee on Public Works has unanimously approved S. 3619, a bill to revise and expand Federal programs for relief from the effects of major disasters.

As chairman of the Special Subcommittee on Disaster Relief, I wish to express my deep appreciation to the chairman of the full committee, Senator JENNINGS RANDOLPH, for his wise decision to establish the special subcommittee last year, for his assistance in arranging for hearings in the field and in Washington, and for his many courtesies and kindnesses with respect to consideration of this important bill in committee.

The ranking minority member of the committee, Senator JOHN SHERMAN COOPER, who sponsored the administration's disaster assistance bill, S. 3745, was, as always, most helpful and cooperative. I am also grateful for the generous cooperation given me by the members of the subcommittee on both sides of the aisle: Senators SPONG, EAGLETON, and GRAVEL, and Senators DOLE, GURNEY, and PACKWOOD. They have made valuable contributions to the final version of the proposal.

Likewise, I wish to thank the members of the Senate Banking and Currency Committee, who reviewed the bill before it was reported to the Senate and who proposed amendments affecting matters under their jurisdiction, for contributing their expertise and their valuable suggestions, all of which are contained in the bill as reported.

As a result, Mr. President, of the collaboration of all the Members I have mentioned, the committee has brought to the Senate a bill containing not only the best features of S. 3619, which I introduced with the cosponsorship of 30 other Senators and of S. 3745, the administration bill, but also a number of valuable amendments proposed in executive session by members of the Public Works Committee and the best thinking of the Senate Banking Committee. In addition, the committee accommodated Senators YARBOROUGH and TOWER of Texas, who had special concerns arising from recent disasters in their State.

This is a good bill, a strong bill, a far-reaching bill, and, at the same time, a completely nonpartisan bill.

The purpose of S. 3619, is to provide a permanent, comprehensive program for Federal disaster assistance and to strengthen the organization and administrative machinery needed to implement the program in an orderly and effective manner. It will enable the Federal Government, without further specific congressional action, to extend needed emergency relief and recovery assistance to individuals, organizations, businesses, and States and local communities suffering from a major disaster.

The bill consolidates into one act and repeals the three major existing Federal disaster assistance laws: The basic 1950 act, Public Law 875, 81st Congress; the 1966 Disaster Relief Act, Public Law 89–769; and the Disaster Relief Act of 1969, Public Law 91–79. This consolidation and the proposed broadening and enlargement of existing statutory provisions are designed to take into account the experience gained by the Congress and the Federal and State Governments from the devastating catastrophe caused in August 1969 by Hurricane Camille, the largest known destructive force of wind and

water ever to strike the United States, as well as the lessons learned from the tornado which struck Lubbock, Tex., in May this year.

The bill seeks to coordinate disaster relief and recovery efforts of all appropriate Federal, State, and local authorities, and relief and disaster assistance organizations under a single, permanent law, so that when disaster strikes anywhere in the country—as inevitably it will—the full resources of both public and private sectors may be brought to bear to meet the immediate challenge and to undertake the long, difficult and costly task of repair, rehabilitation, reconstruction, and replacement.

There are three principal reasons for enactment of this legislation: First, a number of the main provisions of the 1969 act—Public Law 91-79—will expire on December 31, 1970. These include sections dealing with repair and reconstruction of non-Federal aid roads and highways; the forgiveness feature of SBA, Farmers Home and VA loans; expanded temporary housing assistance; food stamp allotments; and unemployment assistance. These must all be extended beyond the end of this year.

Second, the time has come to codify the many diverse disaster assistance statutes into a single law. As President Nixon observed in his special message on April 22, 1970, the present program has "grown in a peacemeal and often haphazard manner, involving over 50 separate congressional enactments and Executive actions. This slow development process has created a complex program, one which has a number of gaps and overlaps and need increased coordination."

Third, the committee's hearings following the Camille disaster on the gulf coast and in Virginia and West Virginia clearly demonstrated the need for a number of new programs and directives in order to establish by law the fullest possible authority for the President and agencies of the Federal Government to respond to a major disaster quickly, efficiently, and without unnecessary restrictions.

Among the new proposals in this bill several are of outstanding importance: First, a program of aid to major sources of employment, to provide jobs for people thrown out of work by a disaster; second, a community disaster loan fund to make loans to local communities which have lost a substantial part of their tax base, so that they can pay interest and principal on outstanding bonded indebtedness, provide their share of matching funds for Federal grants necessary for restoration of the area, and provide or maintain essential public services; and third, 50-50 matching grants to restore damaged or destroyed State or local public facilities. These three programs are made retroactive to August 1, 1969, in order to make them available to the people and communities that were victims of Hurricane Camille.

In line with the administration's proposals, the amount of forgiveness on disaster loans under SBA and HUD programs has been increased from \$1,800 to \$2,500 on any loan of more than \$500.

Also, the bill incorporates the interest rate recommended by the administration, as amended by the Banking Committee. The new rate on all disaster loans would be determined by the Secretary of the Treasury taking into account the current market yield on 10-12 year U.S. obligations less not to exceed 2 percent. The Treasury reports that the current rate is 7 1/8 percent so the rate for disaster loans would be 5 1/8 percent.

There are many other significant proposals contained in the bill and described in the report which I will not take time to enumerate.

All in all, Mr. President, this is a complete a program for meeting the impact of hurricanes, tornadoes, tidal waves, earthquakes, and other disasters as your committee, with all the information, advice and counsel it could obtain, has been able to devise. I urge the Senate to give S. 3619 its early approval.

Mr. MILLER. Mr. President, will the Senator from Indiana yield?

Mr. BAYH. I yield.

Mr. MILLER. I want to commend the Senator from Indiana for his work on this bill. I note that there are some familiar provisions in the bill which take me back to over 3 years ago when the Senator from Indiana and I collaborated on an extensive revision of the disaster relief laws, modeled somewhat after the Alaskan disaster relief legislation which was calculated to provide relief particularly to those who met great hardship as a result of tornadoes, floods, hurricanes, and the like.

I note particularly that the bill covers community disaster relief and temporary housing assistance. These are the two areas of greatest need which have not been covered heretofore by Federal legislation. I think that this legislation will be of great help. My only regret is that we could not make it retroactive to take care of those people who were so severely affected 2, 3, and 4 years ago; but we are making a great start here in the right direction and I am most happy to see this legislation come before the Senate.

Mr. BAYH. I appreciate the fact that the Senator from Iowa has called attention in the RECORD to some of the efforts that have been made in preparing the bill which is now before the Senate.

Ohio, Indiana, Illinois, Michigan, and other States in 1965 were hit by a series of tornados. Colorado in particular was stricken by a very serious flood. As a result, 16 Senators joined together shortly after Indiana was hit by the Palm Sunday 1965 tornado which killed 195 people, in an effort to secure a program establishing a meaningful disaster program. It was passed by the Senate but languished in the House until 1966, when part of the bill was enacted.

Last year, the Senator from Iowa will recall, the Senate adopted a very good disaster bill. The House was reluctant. During the August recess, as the Senator from Mississippi will recall, the gulf coast was hit by Hurricane Camille. Unfortunately, it took the impetus of Camille to get House, Senate, and the administration to get behind this type of program and secure its final enactment.

However, several important provisions of that 1969 act will expire at the end of this year and must be extended.

In my opinion, this basic legislation should have been on the books 10 years ago.

Mr. STENNIS. Mr. President, will the Senator yield?

Mr. BAYH. I yield.

Mr. STENNIS. Mr. President, I thank the chairman of the subcommittee and all of its members, including the chairman of the full committee, the Senator from West Virginia (Mr. RANDOLPH), for the very fine work they did here on an emergency basis to start with and for following through with reference to Camille. But more than that, I have followed this matter. I think they have done an extraordinary job not only in taking care of some immediate emergency matter, but they have also evolved a national law that will be a tremendous asset to the country. It will give assurance with reference to financial investments and bonds and the insurance problems and a great many other matters. When we talk about destroying the tax base of any county or city, we have destroyed all of it.

The committee has worked out a remarkable remedy. I commend the Senator.

Mr. BAYH. Mr. President, I appreciate the remarks of the Senator from Mississippi. We are all indebted to him, to Senator EASTLAND, and to the chairman of the Public Works Committee, the distinguished Senator from West Virginia (Mr. RANDOLPH).

As the Senator from Mississippi knows well, a special subcommittee was appointed in the wake of Camille to which I was appointed chairman. We held extensive hearings in Mississippi in Biloxi and toured that area. Virginia was also our host, where the subcommittee studied the upper effects of Camille.

I believe that the product of this subcommittee is long overdue. I hope that the Senate will support it. If the United States can rush to Iran and Chile and to other places around the world with the beneficence of our tax dollars, I think that the time has come when we should treat the citizens of this country more compassionately when they are hit by a disaster. That is what this bill proposes to do.

Mr. RANDOLPH. Mr. President, will the Senator yield?

Mr. BAYH. I yield.

Mr. RANDOLPH. Mr. President, I am gratified to join in support to the Disaster Assistance Act of 1970, S. 3619, which was unanimously reported by the Committee on Public Works. This is vital legislation on which we have worked for an extended period of time.

The chairman of our Special Subcommittee on Disaster Relief, Senator BAYH, deserves high praise for his imagination and intelligence in conceiving this legislation. He has had diligence and perseverance over many years in pressing for adoption of the comprehensive nationwide and permanent program for disaster assistance embraced by this bill. He has been ably assisted by the other members of the subcommittee and the full committee.

I am sure that my distinguished friend from Kentucky, JOHN SHERMAN COOPER, is pleased to see much of his disaster relief bill, S. 3745, incorporated in the bill as reported. The ranking minority member of the subcommittee, Senator DOLE, has my commendation for his success in improving the bill with amendments urged by the administration.

This landmark legislation will be of benefit to the citizens of any State and locality in the United States that is so unfortunate as to be struck by a major disaster. It deserves, in my opinion, the affirmative vote of every Member of this body.

Mr. BAYH. Mr. President, I appreciate the kind remarks of the Senator from West Virginia. His assistance has been indispensable. I think that it is most appropriate that we also recognize the excellent efforts of the Senator from Kansas (Mr. DOLE). I earlier made reference to the contributions of the Senator from Kansas who was with us in Mississippi and Kansas and sat through the hearings.

I do not know of another example when we have had the joint efforts of Republicans and Democrats which would better meet the basic needs of the people of this country.

It seems to me unconscionable that we have gone so long without being prepared in advance. We do not know when we will have another disaster. However, history has proven to us that we will have more disasters.

This bill will provide one general act which will apply to any disaster. It should not be necessary to rush to Congress to seek special, piecemeal legislation after every disaster.

Mr. SPONG. Mr. President, will the Senator yield?

Mr. BAYH. Mr. President, I yield to my friend, the distinguished Senator from Virginia, who was our host in Virginia and who helped immeasurably on the bill.

Part of the bill shows his footprints.

Mr. SPONG. Mr. President, the Disaster Assistance Act of 1970 will establish permanent machinery to respond quickly to the needs of individuals, businesses, and communities which may be struck by natural disasters.

The bill represents a constructive response to testimony received at hearings before the Special Public Works Subcommittee on Disaster Relief, a unit created to examine the effectiveness of the Federal response to Hurricane Camille last year, and to determine the need for additional legislation.

Heretofore, disaster relief measures have been enacted after disasters have occurred. Consequently, the assistance necessary to restore disaster-stricken areas often has lagged behind the need.

In addition, disaster victims and local government officials have had to examine several different laws for relief programs. The measure developed by the special subcommittee would codify these programs into a single statute, thereby simplifying existing procedures.

The pending bill would establish on a permanent basis the major provisions of the Disaster Relief Act of 1969, which expires this year. For example, the measure

would authorize Federal grants for the removal of debris from private property, assistance for the repair and reconstruction on non-Federal-aid highways, and forgiveness of a portion of disaster loans made by the Small Business Administration and the Farmers Home Administration. It also includes provision for temporary housing, food stamps, legal services, and unemployment assistance.

Several sections of the bill would be retroactive to Hurricane Camille, and accordingly may provide additional assistance to individuals, businesses, and communities affected by the disaster along the gulf coast, and in the James River Basin of Virginia.

The retroactive provisions of the bill are as follows:

First. The Small Business Administration and Farmers Home Administration would be authorized to make loans to major sources of employment in a disaster-stricken area without regard to the \$500,000 ceiling imposed administratively by SBA and FHA. In order to be eligible, an enterprise must have been damaged to the extent that it is no longer in substantial operation as a result of a disaster.

Second. The Director of the Office of Emergency Preparedness would be authorized to assume temporarily the mortgage or rental payments of victims who, because of financial hardship caused by a disaster, have received notice of eviction or foreclosure.

Third. A community disaster loan fund would be established to assist localities in meeting bond payments, providing the local share of Federal grant-in-aid programs, or for maintaining essential public services. Loans could be made in cases where the local government has suffered a loss of more than 25 percent of its tax base, or in cases where such a substantial amount of the tax base has been lost that the locality is unable to meet its obligations.

Fourth. Grants would be authorized for the repair or reconstruction of public facilities owned by States or localities. Eligibility would be extended to sewage treatment and collection, water supply and distribution, airport, flood control, irrigation, and other facilities. Grants would be limited to 50 percent of costs.

The bill also includes provision for purchasing as well as leasing of mobile homes. There would be no charge for rentals during the first 90 days of occupancy. Thereafter, the financial ability of the occupant would be considered in fixing rent.

Under present law, for disaster loans in excess of \$500, a maximum of \$1,800 can be canceled. Under a new formula developed by the subcommittee, the forgiveness level would be increased to \$2,500.

Mr. President, having seen the devastation caused by Hurricane Camille in Virginia, and heard the accounts of the resulting hardships suffered by many individuals, I am convinced of the need for this legislation. It has been a privilege to serve with the able chairman of the subcommittee, the distinguished Senator from Indiana (Mr. BAYH), during the development of the bill.

Mr. President, I join in the commendations of the efforts of the Senator from Indiana and others. It was fortuitous for the people of Virginia and Mississippi and the other areas affected that legislation sponsored by the Senator from Indiana was pending at the time this disaster struck and that we were able to use the bill upon an emergency basis and perfect it in the form of the legislation we are considering here this evening.

On behalf of the people of Virginia, I thank all Senators who have made contributions to the pending legislation.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. BAYH. I yield.

Mr. SPARKMAN. Mr. President, I join with the other Senators in expressing my commendation and appreciation to the chairman of the subcommittee, the Senator from Indiana (Mr. BAYH), and to the chairman of the full committee, the distinguished Senator from West Virginia (Mr. RANDOLPH), both of whom have taken a great interest in this matter as have the other Senators who worked on it.

The Senator made reference a few minutes ago to the adoption of a suggestion our committee made. After the Public Works Committee finished its deliberations on the bill, in accordance with an understanding we had on the floor of the Senate when the bill was originally introduced, the bill was referred to the Banking and Currency Committee for such recommendations as it might want to make in those areas coming within the jurisdiction of the committee.

We did suggest a couple of amendments.

The Senator from Indiana referred to the one that relates to the interest rate. We tried to work that out to make it consistent with other similar programs.

Mr. BAYH. Mr. President, if the Senator will yield at that point, I ask unanimous consent to have printed at this point in the RECORD a letter contained in the report. The letter is from the distinguished chairman of the Committee on Banking and Currency to the chairman of the Public Works Committee. It incorporates the four suggestions made by the distinguished chairman and the members of the committee. It has been very helpful.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON BANKING
AND CURRENCY,
Washington, D.C.

Hon. JENNINGS RANDOLPH,
Chairman, Committee on Public Works,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: On August 25, 1970, the Senate Banking and Currency Committee considered the housing and small business aspects of your committee's bill, the Disaster Assistance Act of 1970.

After reviewing these provisions, we recommend the following changes be made in the bill prior to its being reported to the Senate:

1. On page 17, section 231(a), after the words "major disaster" insert the words "as determined by the President or a disaster as determined by the Administrator." This will

make the provisions of section 231 of your bill apply to those disasters declared by the Administrator of the Small Business Administration as well as those major disasters declared by the President.

2. On page 21, section 234: (1) after the word "Act" insert ", or under the authority of section 7(b) of the Small Business Act." This provision would make the interest rate which the Small Business Administration charges on its economic disaster loans the same as those it charges under this bill on physical disasters;

(2) Insert "236(b)". This will make the provision of section 236(b) carry the interest rate formula contained in this section;

(3) Also increase the 1 percent figure in the interest rate formula to 2 percent thereby giving the disaster victims a greater break in their interest rate to be charged under this bill.

3. On page 20, delete section 233 and insert language which would treat veterans with direct VA loans who had property destroyed or damaged which secured these loans in the same manner as other victims of disaster. This new language would also give the Administrator of Veterans Affairs the right to forbear payments on the veterans loans at his discretion.

4. On page 22, section 236(b), delete the reference to interest rate. The interest rate under this section would be fixed at the formula set out in section 234 of the bill. This is recommended in order to make all the disaster provisions under this bill affecting HUD and SBA carry the same interest rate.

I am attaching copies of these amendments.

* * * * *

With best wishes, I am
Sincerely,

JOHN SPARKMAN, Chairman.

Mr. SPARKMAN. Mr. President, are those amendments incorporated in the final form of the bill as our committee recommended them?

Mr. BAYH. The Senator is correct. They are.

Mr. SPARKMAN. I simply wanted the record to show that.

Several Senators addressed the Chair.

Mr. BAYH. Mr. President, I yield to the Senator from Kentucky.

Mr. COOPER. Mr. President, I wish to join my colleagues on the Committee on Public Works and other Members of the Senate in commending the Senator from Indiana for his work in connection with this bill. In 1967 and 1968 he introduced a disaster relief bill as he had earlier in 1965 which resulted in the act of 1966. There was considerable discussion of that bill, different viewpoints, and thorough consideration which I believe was helpful in the development of the 1969 act and also of the bill which is now before us. Last year we had the California floods and the awful disaster of Hurricane Camille affecting especially Mississippi and Virginia. We were helped very much in the committee discussions on the 1969 act and on this bill by the distinguished Senators from Mississippi (Mr. STENNIS and Mr. EASTLAND), by the earnest and perceptive work of the Senator from Virginia who is a member of the committee (Mr. SPONG) and his colleague (Mr. BYRD). The Committee on Public Works established a Special Subcommittee on Disaster Relief, which held extensive hearings in the field and in Washington.

The President then sent to the Congress early this year a special disaster assistance message, containing the legisla-

tive recommendations of the administration, the most comprehensive disaster relief proposals made by any administration. I introduced the administration bill, S. 3745, on April 23, 1970, which was cosponsored also by Senator DOLE and Senators RANDOLPH and BAYH, chairmen of the full committee and the subcommittee. Most of those recommendations have been included in S. 3619.

I want to pay special tribute to the Senator from Kansas (Mr. DOLE) who is the ranking minority member of the subcommittee, and a new Member of the Senate. He entered into this work with all of his energy. He went to Mississippi, and he went to Virginia, when others found the trip too difficult or the weather too bad to go. He worked closely with the administration and diligently within our committee. I think the bill which is the result of these combined efforts is the most comprehensive of its kind ever to come before Congress.

The Disaster Assistance Act of 1970, S. 3619, represents efforts of the Subcommittee on Disaster Relief of the full Public Works Committee to bring orderly assistance to the chaos and suffering wrought by natural disasters. The committee's work on this legislation began on the gulf coast following Hurricane Camille, when hearings were held in Biloxi in January. Further field hearings were held in Roanoke, as well as several days of hearings here in Washington.

The committee's deliberations have focused on legislative proposals S. 3619 and S. 3745. The latter was an administration proposal which came to Congress with a Presidential message on disaster assistance. The committee, its staff, and officials of the administering agencies of the executive branch have worked together closely throughout the development of this legislation and I believe that the strong legislation before the Senate this evening reflects that careful and thorough deliberative process.

The bill recodifies much of existing law in the disaster assistance field and in doing so should greatly aid the task of State and local officials in determining what kinds of assistance are available to them in rebuilding their shattered communities. The confusion which has existed up to now, due to the different laws dealing with disaster relief, was repeatedly mentioned throughout the hearings.

On April 22, 1970, President Nixon sent a message to the Congress asking for the most comprehensive disaster relief in history. The administration can be proud of the provisions of S. 3745, its bill which I introduced on April 23. They were good provisions and all but two of the major sections were included in the reported version of S. 3619 in whole or in some modified version.

I think the administration is to be further commended for the actions it has taken since Hurricane Camille to streamline and improve administering to people's needs in the period following a major disaster.

It is important, it seems to me, to note that throughout the committee's work on this legislation two threads of thought were constantly apparent. We wanted to design legislation to care for people. And secondly, we wanted to as-

sure that the negative realities of destruction be turned, so far as possible, to constructive and productive rebuilding. S. 3619 seeks to fulfill those aims and its passage and enactment into law will do much to assure that we "build back better" what is destroyed by future natural disasters in the future.

Again, I commend the Senator from Indiana, Senator BAYH, our committee chairman, the junior Senator from Kansas, Senator DOLE, who worked hard in the hearings, in the field and on the development of the bill, Senator SPONG of Virginia, and all the members of our Public Works Committee and the staff.

Mr. President, I ask unanimous consent the message from the President to the Congress on April 22, 1970—the most comprehensive proposals on disaster assistance by any President, and which contributed so much to the development of this bill—be included in the RECORD following my remarks.

There being no objection, the message was ordered to be printed in the RECORD, as follows:

MESSAGE FROM THE PRESIDENT
To the Congress of the United States:

The spirit of neighborliness, the readiness to extend a helping hand in time of trouble, is one of the great traditions of this country. In the early years of our history, good neighbors were essential in coping with the hardships of pioneer life. They are equally essential in meeting the challenges of life today.

The spirit of the good neighbor was particularly evident in 1969 when natural disasters struck this country in unprecedented numbers and with unprecedented force. Twenty-nine major disasters and an untold number of smaller disasters were responsible for over 300 deaths and an estimated \$2 billion in property damage in the last calendar year. Events such as the California floods and Hurricane Camille with the Virginia floods were exceptionally destructive.

Private voluntary agencies have traditionally played a crucial role during times of disaster. State and local governments are key factors in any successful disaster relief effort. Thus the Federal role is only one part of the overall response of the nation. But it is a very important part of that response. Under the Federal Disaster Acts of 1950, 1966, and 1969 and their amendments and under provisions in many other statutes, the Federal government works to help individuals through relief and rehabilitation efforts and to assist State and local governments by restoring public facilities essential to community life. In 1969 the Federal government allocated \$150 million for assistance from the President's Disaster Relief Fund—the largest sum for any one year in history. Significant additional funds were spent on disaster assistance under other Federal programs. A report on our 1969 experience is being provided to the Congress.

We are confident that the general framework of our present program provides an effective mechanism for channeling Federal disaster assistance to individuals and communities. Rather than depending on a specialized disaster assistance agency, the present system makes maximum use of existing agencies, centrally coordinated by the Office of Emergency Preparedness, to perform tasks in time of emergency which are similar to those which they perform in normal circumstances. Our present arrangements also encourage constructive and cooperative efforts among, individuals, local communities, the States and the Federal government.

At the same time, however, we have learned that a number of improvements are in order

within the existing framework. The last Presidential special message on the subject of disaster assistance was written 18 years ago. Since that time, this program has grown in a piecemeal and often haphazard manner, involving over 50 separate Congressional enactments and executive actions. This slow development process has created a complex program, one which has a number of gaps and overlaps and needs increased coordination. It is time for new legislation and executive action to make our Federal disaster assistance program more effective and efficient.

LEGISLATIVE PROPOSALS

To extend and to improve the assistance which the Federal Government can provide in time of major disasters, I am asking the Congress to enact the Disaster Assistance Act of 1970. This legislation contains a number of specific proposals, the most important of which are the following:

Revenue maintenance

When a community experiences a major disaster, the physical impact is obvious. What the television camera does not capture, however, is the loss of property tax revenue which occurs when a substantial portion of a community's property tax base is destroyed and its essential services are disrupted.

To ease this difficulty, I recommend that the Congress enact a property tax revenue maintenance plan. Under this plan, the Federal government would be authorized to lend money at favorable interest rates to local governments to make up their loss of property tax revenues following a major disaster.

Permanent repair

I am asking the Congress for expanded Federal authority to permanently repair or fully replace essential public facilities damaged by disasters. This authorization would provide a more effective and practical approach to the replacement of damaged public facilities which are vital to community life. This Administration would give preference to local employees and contractors in repair and rebuilding work.

Economic development assistance

I am also asking the Congress to amend the Public Works and Economic Development Act of 1965, so that the Economic Development Administration would provide staff support, technical advice and financial assistance to those communities affected by major disasters. Such assistance is vital in recovery efforts, particularly when the community is attempting to begin long-range rebuilding or redevelopment efforts.

Disaster loans

I am proposing legislation to improve the disaster loan programs of the Small Business Administration and of the Farmers Home Administration. These loans are among our principal sources of assistance to stricken individuals. The recommended changes would provide for improved refinancing, payment deferral, and forgiveness arrangements and would assure disaster loans to older citizens. My proposed amendment would allow the FHA and SBA to provide faster service and would therefore promote speedier recovery following disasters.

Unemployment compensation

I am also recommending that the Congress extend for two years the expanded unemployment compensation provisions of the Disaster Relief Act of 1969. These provisions make temporary income available as promptly as possible to help individuals who are unemployed as the result of a major disaster. Such assistance to individuals was a new feature in the 1969 Act. Before last year, only those unemployed persons who could qualify for compensation under the normal unemployment insurance pro-

grams could receive income protection following a disaster. The two-year extension which I recommend would provide time to fully evaluate the new provisions and to consider appropriate legislation.

Housing

Hurricane Camille provided the greatest test of the Federal government's ability to provide temporary housing to victims of a major disaster. We believe we met that test; at the direction of the Office of Emergency Preparedness, the Department of Housing and Urban Development was able to place more than 5,000 mobile homes in the disaster area. We also believe, however, that the language of the law which authorizes such activities is confusing.

Two separate provisions in two different laws are now directed to temporary emergency housing. In order to simplify the legislative provisions that apply to this problem, I propose that the provisions for temporary housing in PL 81-875 be amended so that they incorporate many of the broad principles of PL 91-79, without sacrificing flexibility. A clarified version of this law would allow the government to provide temporary housing or other emergency shelter—including leased mobile homes or other readily fabricated dwellings.

Debris removal

One of the serious problems encountered in Hurricane Camille related to the removal of debris from private property. Current legislation in this area is confusing and difficult to administer. I am therefore proposing corrective legislation that would simplify and speed debris removal from private property when it is in the public interest. Again, preference would be given to local employees and contractors.

Disaster prevention

In March and April 1969 this Administration conducted a massive flood prevention program in the upper Midwest and New England. This program—Operation Foresight—was immensely successful; it prevented widespread human suffering and an estimated \$200 million in damages, at a cost of \$20 million. The success of this disaster prevention effort suggests that we can do a great deal to avoid or limit the effects of expected disasters. Accordingly, I am proposing legislation which would extend the Federal government's authority to assist State and local governments in disaster prevention and damage reduction activities.

Planning assistance

The Disaster Relief Act of 1969 authorized one-time matching grants to help States formulate better plans for coping with disasters. Almost half of the States have already indicated that they will join us in this effort and we expect that others will soon follow their lead. I now recommend that the Congress expand this provision of the 1969 law in order to help States review and update these plans on a continuing basis.

In addition to the major initiatives outlined above, the legislation prepared by the Administration includes a number of other changes designed to extend the scope and improve the effectiveness of Federal assistance.

Administrative actions

Legislative changes are not the only improvements which are presently required. Our experience indicates that changes in administrative procedures can be equally important in providing a more effective assistance program.

Coordination

To improve coordination of Federal Disaster Assistance efforts, both among Federal agencies and among Federal, State, and local officials, I am establishing a National Council on Federal Disaster Assistance. The Council will be composed of senior officials from

Federal agencies concerned with disaster assistance and will be chaired by the Director of the Office of Emergency Preparedness.

To further improve coordination of disaster assistance activities in the field, I have also directed that the Regional Directors of the Office of Emergency Preparedness be included as ad hoc members of the newly formed Federal Regional Councils. This improvement will be supplemented by other actions to improve coordination among all levels of government, including the Office of Emergency Preparedness regional planning conferences with State officials with the first such conference this month on the West Coast.

In addition to improving coordination and developing more comprehensive plans, we need better procedures for continuous communication with State and local governments on such matters as disaster legislation. The Council of State Governments and such organizations as the International City Management Association, the National Association of Counties, the National League of Cities, and the United States Conference of Mayors are assisting us in this effort.

Improvements in disaster assistance also require an improved program of research and evaluation, the results of which are readily available to all who can benefit from them. I have therefore directed the Office of Emergency Preparedness to act as a central clearing house for all Federal research which is related to disasters.

Assistance to individuals

An important objective, particularly in large-scale disasters, is that of informing individuals of the assistance which is available and of the places where it can be obtained. To meet this problem, we are expanding our information efforts and keying those efforts to the needs of the individual citizens of the community, particularly those who are poor.

Whenever a disaster occurs, those who live in the area desperately want to be in touch with their friends and relatives who live elsewhere. Rescue workers also need better communication facilities within such areas. I have therefore asked the Office of Emergency Preparedness to provide better emergency communication services to stricken regions during times of disaster.

Just as we make it easier for individuals to get information, so we should make it easier for them to get assistance. It should not be necessary for individuals to travel from one place to another and then to still another location in order to obtain the help which various agencies of the Federal government are providing. Accordingly, we are developing plans to provide "one-stop" service to individuals in disaster areas. Representatives of the principal Federal agencies and of the Red Cross, as well as caseworkers and legal advisors, will all be available at a single assistance center.

Disaster assistance teams

Disaster stricken communities frequently lack trained personnel who can help them make the best possible use of the assistance which is available to them from many sources. To meet this need, I have directed the Office of Emergency Preparedness to form Federal disaster assistance teams to help local communities coordinate the overall assistance effort. These teams will be supervised by a Federal Disaster Assistance Coordinator who will act as an on-the-spot representatives of the President in any particular disaster area.

Disaster Insurance

Our experience with disasters in 1969 clearly demonstrated the need for expanded insurance coverage for property owners. The national flood insurance sections of the Housing and Urban Development Act of 1968 presently permit Federal insurance assistance in flood-prone areas and we are now implementing that program on an accelerated

basis. I am also directing that a comprehensive study of property insurance coverage for disaster situations be undertaken and that specific recommendations be provided me by the end of this year. This study should take into account the views of the State insurance authorities, the insurance industry, lending institutions, and the general public.

Civil Defense

The disaster assistance activities of State and local governments often are closely related to their civil defense responsibilities. The relationship between the Federal government's disaster assistance and civil defense activities should now be carefully reviewed. Accordingly, I have asked that such a study be carried out and that its recommendations be given to me by December 31, 1970. It is important that any changes in this sensitive area be made only after a careful review, one which gives special attention to the impact of any suggested change upon national security.

* * * * *

As we move into a new decade, one of the nation's major goals is to restore a ravaged environment. But we must also be ready to respond effectively when nature gets out of control and victimizes our citizens.

With the improvements I have recommended to the Congress and those which I am instituting by Executive action, the disaster assistance program of the Federal government will continue to provide outstanding public service in times of crisis. This program manifests the extraordinary humanitarian spirit of our nation. The changes I have proposed would enable it to reflect that spirit even more effectively.

RICHARD NIXON.

THE WHITE HOUSE, April 22, 1970.

Mr. BAYH. Mr. President, I yield to the Senator from Kansas.

Mr. DOLE. Mr. President, I concur with the statements made earlier by the Senator from Indiana, the Senator from West Virginia, and the Senator from Kentucky, the Senator from Virginia, and, of course, the Senator from Mississippi.

It was an eye-opening experience for me and every member of our subcommittee to visit the Biloxi area. We visited Pass Christian and found an entire community leveled, the tax base destroyed, and no apparent means of reviving that community.

This field investigation and the hearings that ensued are responsible for some of the improvements proposed in this legislation.

I share the views of the Senator from Indiana who has been the leader in proposing disaster legislation. I had misgivings in the beginning about some provisions, but after witnessing the hardships and tragedies that result from disasters I am convinced the subcommittee has done an excellent job.

The bill represents the efforts of the subcommittee, the efforts of the administration, and the efforts of the minority and majority staff of the subcommittee and full committee who worked tirelessly with staff members of OEP to write a bill that is responsive to the needs of the people in time of disaster.

It is my opinion that we have passed and approved in the subcommittee and the full committee, with the approval of the Committee on Banking and Currency, landmark legislation. There are significant efforts to improve and up-

date our disaster assistance programs.

Mr. President, on April 22, 1970, President Nixon, in the first special message to Congress on the subject of disaster assistance in 18 years, pointed out:

The spirit of neighborliness, the readiness to extend a helping hand in time of trouble, is one of the great traditions of this country. In the early years of our history, good neighbors were essential in coping with the hardships of pioneer life. They are equally essential in meeting the challenges of life today.

In 1969, the challenges posed by natural disasters surpassed those of any single year since the first comprehensive Federal Disaster Act was passed in 1950. There were 29 major disasters, which included the California floods and Hurricane Camille, described by the U.S. Geological Survey as "the most intensive hurricane on record to enter the U.S. mainland." As a result, the Federal Government allocated a total of \$148,970,000 from the President's disaster fund, the largest sum for any year in history. In addition, the disaster loan programs of the Small Business Administration and the Farmers Home Administration were of major assistance during 1969 to homeowners, businessmen, and farmers. Food supplies from the Department of Agriculture, community relations services from the Department of Justice, and legal assistance grants from OEO also helped many disaster victims.

Despite the tremendous response of the Federal agencies to the major disasters of 1969, President Nixon recognized the need to improve our performance. In his special message to the Congress, he proposed far-reaching legislative and administrative changes. The President found that our disaster assistance program has "grown in a piecemeal and often haphazard manner, involving over 50 separate congressional enactments and Executive actions." He noted that—

This slow development process has created a complex program, one which has a number of gaps and overlaps and needs increased coordination.

The bill we are considering today includes the best concepts and proposals of S. 3619 introduced by Senator BAYH, chairman of the Subcommittee on Disaster Relief, and S. 3745, introduced by Senator COOPER, ranking minority member of the full Committee on Public Works, on behalf of the administration. Specifically, the following provisions from S. 3745 are included in this bill:

First. Provision for removal of the "emergency repair of temporary replacement" criteria of work on essential public facilities, with the proviso that the Federal cost of permanent repair or replacement not exceed the net worth of the facility to its predisaster capacity.

Second. Provisions to allow the President to contract or make agreements with private relief organizations in order that the activities of these organizations can be coordinated by appropriate officials and conditioning of such agreements on compliance with title VI of the Civil Rights Act of 1964.

Third. Provisions to provide for forgiveness of up to \$2,500 on losses or damage in excess of \$500 on the principle of an SBA or FHA disaster loan.

Fourth. Provision that the State planning program would be an ongoing activity rather than expire on December 31, 1970. Additionally, provisions to limit the amount of assistance available to any one State to \$25,000 per annum and in amounts which shall comprise more than 50 percent of the total cost of such planning.

Fifth. Provision that debris-clearance assistance to the States and local governments not be made unless the State or local jurisdiction agrees to unconditionally indemnify the Federal Government from any claims arising as a consequence of the debris removal.

Sixth. Provision to establish a community disaster loan fund in the Treasury for assistance to local communities suffering substantial loss because of a major disaster.

Seventh. Provision to authorize assistance in advance of an imminent disaster.

Eighth. Provisions dealing with anti-discrimination in the administration of assistance; with the establishment of advisory groups on disaster relief, and on the assignment of advisory personnel, to local communities.

In addition, the President's program improvements to be achieved administratively have been accomplished or are well underway:

A National Council on Federal Disaster Assistance has been established. The Council brings together senior level officials of Federal agencies to improve coordination of Federal assistance efforts.

One-stop centers: The concept has been tried and proven in the recent Lubbock and Corpus Christi, Tex., disasters, making it easier for disaster victims to get information and assistance.

Disaster assistance teams: Teams of knowledgeable Federal officials, supervised by OEP disaster assistance coordinators, are helping communities and individuals in disaster relief and recovery efforts.

Disaster research: Within OEP, a research effort is being initiated, wherein the agency serves as the clearinghouse on all disaster-related research.

During our hearings, both in the field and in Washington, we heard many complaints about insurance coverage for property owners. At that time, the National Flood Insurance Section of the Housing and Urban Development Act of 1969, permitting Federal insurance assistance in flood-prone areas, had not been fully implemented. That program has now been accelerated, and many more communities are participating. Hopefully, the frustrations arising out of the insurance practices of the past will cease to occur. Further, President Nixon has requested a comprehensive study of property insurance coverage for disaster and will be receiving specific recommendations before the end of the year.

The response of State and local governments to a major natural disaster is one of the most important aspects of effective disaster assistance. We found that there was a wide variance in the ability of the States and in turn the local governments to truly aid their citizens. Often times, those who are designated for

such duties are disaster victims themselves. Where there has been an affirmative response, it is often related to the viability of the State and local civil defense units. The relationship between the Federal Government's disaster assistance and civil defense activities is under review by the President. I am hopeful he will forward recommended changes to the Congress shortly after the first of the year.

As the President said in his disaster message:

The general framework of our present program provides an effective mechanism for channeling federal disaster assistance to individuals and communities.

But this legislation for the first time consolidates our major disaster assistance programs and provides additional assistance in areas in which we have been deficient in the past. It is the result of bipartisan efforts of members of the committee and the responsible officials in the executive branch. As ranking minority members of the Subcommittee on Disaster Relief, I join my colleagues in supporting the Disaster Assistance Act of 1970. It will allow us, in the President's words, "to respond effectively when nature gets out of control and victimizes our citizens."

Mr. BAYH. Mr. President, I yield to the Senator from Texas. I understand he has an amendment.

Mr. YARBOROUGH. Mr. President, I send to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows: On page 98, line 10, before the period insert the following: "and sections 231, 232, and 233 shall take effect as of April 1, 1970."

Mr. YARBOROUGH. Mr. President, I thank the distinguished Senator from Indiana for yielding to me. I compliment the Senator for his great work in connection with the important bill.

Mr. President, the amendment I have sent to the desk would apply retroactively the loan cancellation provisions, sections 231, 232, and 233, of S. 3619, to all victims of disasters occurring after April 1, 1970.

Mr. President, we have before us one of the most important pieces of legislation that Congress will consider this session. S. 3619, will provide a permanent and comprehensive disaster relief program which will be of immeasurable benefit to countless Americans. No one in this body realizes more fully the urgent need for this legislation than I. Having observed the damage done to my State this spring and summer by tornadoes, floods, and hurricanes, and having worked with disaster relief agencies and the unfortunate victims of these natural disasters, I know from personal experience the weaknesses in the present law and need for the changes proposed in S. 3619. This is why I am proud to be a cosponsor of this bill. Its excellent features are so many that I shall not take the time of the Senate to speak on them at this time; however, I do wish to commend the distinguished Senator from Indiana (Mr. BAYH) and the members of

his subcommittee for their fine work on this bill.

The purpose for my amendment is to make available to the thousands of victims of major disasters that have occurred since April 1, 1970, the increased loan cancellation features of S. 3619. Under the present law, Public Law 91-79, which was enacted in October of 1969 in the wake of Hurricane Camille which ravished the gulf coast, the Small Business Administration and the Farmers Home Administration are authorized to cancel at the borrower's request up to \$1,800 of any disaster loan in excess of \$500. In other words, if a disaster victim obtained a \$2,300 loan from the Small Business Administration to repair or restore his farm house or replace his livestock, he would be obligated to pay the first \$500 but the balance would be canceled. When Public Law 91-79 was enacted in October of 1969, its provisions and benefits, including the loan cancellation feature, were made to apply retroactively to all major disasters that occurred after June 30, 1967. By making Public Law 91-79 retroactive to that date, the victims of Hurricane Beulah, which struck the gulf coast in September of 1967, were allowed to benefit by the law. My amendment does nothing more than was done when Public Law 91-79 was enacted.

The committee in reporting S. 3619 recognized that the cost of construction work has skyrocketed in the last year; therefore, the committee wisely increased the amount of a disaster loan that the Small Business Administration and Farmers Home Administration can cancel from \$1,800 to \$2,500. This increase of \$700 may seem small and insignificant to those people of wealth; however, to the Mexican American and black citizens of Lubbock and Corpus Christi, to small businessmen and fishermen of the gulf coast, and to the farmers of Plainview, this amount could provide the means and assistance to stay in their communities and rebuild their homes, farms, and businesses rather than being forced to seek a new start in another area. This is why it is only fair and just that we make the increased benefits of S. 3619 available to as many disaster victims as possible.

In my State, there have been four major disasters since April of this year. The first of these disasters was the tornado that struck Plainview, Tex., and cut a 175-mile path of death and destruction in a 10-county area. Second, was the tornado that struck Lubbock, Tex., on May 11, affecting 2,500 square blocks of that prosperous city. Third, on May 15 of this year a flood devastated San Marcos, Tex. Last, but far from least, Hurricane Celia struck Corpus Christi, Tex., and many other towns and cities in a 12-county area in Texas in August. The damage figures are still being completed on all of these disasters; but from what information that is available, it is clear that the Lubbock tornado damaged or destroyed over 10,000 homes. The Plainview tornado caused over \$10 million in property damage. The San Marcos flood caused over \$2 million and Hurricane Celia has caused over \$233 million in

damages to real property and homes and automobiles alone as of this date.

In these areas in Texas, the Small Business Administration and the Farmers Home Administration have already made many disaster loans and there are still many loan applications to be acted on. In Lubbock, Tex., for example, the Small Business Administration has already made over \$7 million in loans to homeowners and businessmen. Many more loan applications are still pending. In the counties affected by Hurricane Celia, the Small Business Administration has made 2,500 loans and the Farmers Home Administration has made 21 loans. Many more loan applications are pending for action by the Small Business Administration and Farmers Home Administration.

Under the present law, the Small Business Administration and Farmers Home Administration are authorized to defer the initial payments on these loans for a period of time in order to allow the borrower to get on his feet financially with his other creditors. For example, the initial payment on loans made by the Small Business Administration to a homeowner or business concern that cannot obtain funds from private sources may be deferred for a period of 5 months to 3 years, depending on the financial condition of the borrower. The Farmers Home Administration is authorized to allow the repayment of emergency loans for the purposes of replacing livestock and equipment for periods of up to 7 years and to allow loans for the purpose of repairing farm buildings and improvements to be repaid over periods of up to 20 years. Thus, in many situations, victims who have received disaster loans since April 1, 1970, have not even made the first payment on these loans and will not do so for some time. In many other cases, loan applications made by the victims of Hurricane Celia and the Lubbock tornado will not even be acted upon until after this legislation has passed. To people in these situations, it will appear that Congress has lost all interest in their problems if they are not offered the opportunity to take advantage of the cancellation provisions of S. 3619.

Mr. President, those who oppose my amendment usually offer two feeble reasons why it should not be passed.

First, it is argued that to make these provisions retroactive will impose great administrative difficulties for the Small Business Administration and Farmers Home Administration. When tested by experience, this argument will not stand up. As pointed out earlier, in many situations, the first payments have been deferred. In other situations the loan applications have not been acted upon. Thus, it would not seem to be an insurmountable task for these agencies to advise these borrowers of their rights under S. 3619 and offer them the opportunity to come under these provisions. It is true that it might cause these agencies some extra work and in some cases some inconvenience, however, when the public good is pitted against governmental inconvenience it is imperative that the public good prevails. The foundation of

government in a democracy is to be responsive to the needs of the people and to find ways of meeting these needs. When our Government stops acting in the best interest of the people and starts acting only for its own interest and convenience their own Government has failed in its basic function: to serve the people.

Second, it is argued that by applying this amendment retroactively, disaster victims will be hurt rather than helped because the interest rate will be increased from 3 to 5½ percent. This argument is also impersuasive because:

First, my amendment does not automatically increase the interest rate on any existing disaster loan. On the contrary, my amendment would offer disaster victims the choice of whether to retain their present loans at an interest rate of 3 percent with only \$1,800 in cancellation authority or to take a new loan at 5½-percent interest with \$2,500 in cancellation authority. Naturally, not all disaster victims will make the same choice; however, I do not believe that it would be too much of a burden on the agencies involved to make this choice available to these unfortunate people.

Second, in many cases, the benefits of the increased amount that can be canceled will far outweigh the effect that the interest rate might have. This is particularly true in the case of low-income people. For example, suppose a low-income family sustains \$3,000 in damages to their home. Under the present law, this family would be entitled to have \$1,800 of a \$3,000 loan canceled, leaving them with the obligation of repaying \$1,200 at 3-percent interest. If my amendment is enacted, this family would have the choice of receiving a loan under S. 3619 which would allow them to have \$2,500 of this loan canceled, leaving them obligated to pay back \$500 at 5½-percent interest. It seems obvious that a debt of \$500 at 5½-percent interest is much easier for a low-income family to carry than a \$1,200 debt at 3-percent interest. At the rate of 5½ percent the interest on \$500 for 1 year is only \$26.37. The interest on \$1,200 at 3 percent for 1 year is \$36. Therefore, it appears logical to me that low-income and middle-income people, when given the choice, would rather pay \$526.87 than \$1,236. The obvious benefits of the increased cancellation features of S. 3619 even with an increased interest rate, are pointed out by the committee on page 18 of the report on S. 3619 in which it is stated:

Despite the higher interest rate which would be charged for disaster loans, substantial benefits will accrue under the new formula for many of those seeking assistance. A homeowner whose disaster loan exceeds \$10,500 will be eligible for a forgiveness of the maximum amount, or \$2500. His total encumbrance on \$10,500 will be only \$8000. A \$6000 disaster loan will be credit with \$2500, reducing the obligation to \$3500. A borrower of \$2000 will be entitled to a \$1500 cancellation, leaving a balance of \$500 to be repaid.

Mr. President, the amendment I have proposed is a fair and just measure. It is one that I am committed to because of what it means to the poor people who have suffered so much in these terrible

disasters. I cannot turn my back on these people in their hour of need. Therefore, I ask all my colleagues who care about the welfare of the thousands of small farmers, businessmen, and working people throughout America who are trying desperately to rebuild their homes and their lives to join with me in approving this important amendment.

Mr. President, I commend the Senator from Indiana for his thorough research in connection with the bill and the hearings that have been held all over the country, as well as the provisions in the bill to help the people in my State, mainly those of Mexican-American extraction who were faced with the loss of their homes by mortgage foreclosures where they did not have the funds to make mortgage payments or rent payments. Many of these people worked in plants that were destroyed. The committee adopted my amendment which would provide the money for people to make their rent or mortgage payments. This is a great advancement in the efforts of government to meet the basic needs of disaster victims.

I have offered a limited amendment. I ask the distinguished chairman to accept the more limited amendment at this time.

Mr. BAYH. Mr. President, the Senator from Texas has discussed with me the unique problem he has in Texas now and also the terrible disaster that hit the area along the coast down there. I would have no objection to accepting that particular amendment.

Mr. YARBOROUGH. It is more restrictive than the earlier amendment I offered.

Mr. BAYH. As some of those Senators present know, I had hoped we could get this covered in other areas. I say to my friend I do not know what the attitude of the House will be, but we will certainly try to get it approved.

Mr. YARBOROUGH. I would like to point out that this is not only a Texas amendment. Since that date there have been disasters, declared by the President, in Alabama, North Dakota, Kansas, Florida, New York, and Minnesota. It is not a one-State amendment. It covers situations in those States, as well.

Mr. DOLE. Mr. President, will the Senator yield?

Mr. BAYH. I yield.

Mr. DOLE. The amendment provides for the retroactive application of sections 231, 232, and 233, which apply to disaster loans by SBA and FHA and loans held by VA, respectively.

If section 231 is made retroactive to April 1, 1970, loans will require reworking to provide the additional \$700 cancellation feature. Another, but perhaps more important, feature of the new act provides for a different interest rate on disaster loans. Thus, if a loan is reworked to include the \$700 additional cancellation feature, it appears that the interest rate—estimated at 5½ percent—required by the new act would also have to be applied to that loan. This would require that SBA discuss the advantages and disadvantages with each applicant covered by the amendment. It appears that confusion among applicants would

result. The act further provides that certain conditions of eligibility for disaster loans be removed. If made retroactive, it would appear SBA would be required to inform persons previously not eligible for loans that they may now qualify, including those who did not apply because they know they did not meet eligibility requirements. This would also require SBA to accept applications for all SBA declared disaster loan areas as well as Presidential declarations of major disasters.

As for section 232, FHA has approved loans that include the \$1,800 forgiveness feature authorized by existing statute. The comments made with regard to section 231 also apply to this section.

Furthermore, no benefit to disaster victims would result from retroactive application of section 233, and VA presently has the authority which would be granted by that section. Thus, there is no reason for such action.

But Mr. President, I am not going to object to the amendment, I only raise these questions for the record. I am in sympathy with the objective of the Senator from Texas. If I understand the amendment clearly, it means that SBA will find it necessary to rework some 20,000 loans that have already been made and that it might result in an increase in interest paid by some applicants. Do I understand that sections 232 and 233 would also be added?

Mr. YARBOROUGH. Mr. President, will the Senator yield?

Mr. BAYH. I yield.

Mr. YARBOROUGH. I believe the Senator is referring to my former amendment. It went back to August of 1969. Under that amendment, there would have been 20,000 loans to review. This limited amendment, as the chairman will verify, would cover only about 3,000 to 4,000 such loans.

Mr. BAYH. Between 3,000 and 4,000.

Mr. YARBOROUGH. Yes; less than one-fifth as many loans as under my earlier amendment. We are hopeful there would be no objection to it.

Mr. DOLE. Does that same date apply to FHA and VA loans—to all three sections?

Mr. YARBOROUGH. All three sections.

Mr. BAYH. All three sections.

Mr. DOLE. I do not know how many FHA loans would be affected by the new date but apparently fewer than 1,000.

With that modification I am willing to accept the amendment of the Senator from Texas.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Texas.

The amendment was agreed to.

Mr. YARBOROUGH. Mr. President, I send to the desk another amendment, with which the Senator is familiar. I ask for its acceptance. It relates to damage to real estate in Cameron and Willacy Counties, Tex., where there was a rather unfortunate occurrence.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows: On page 65, line 5, after "Act." it is proposed to insert the following:

Funds allocated for the relief of areas devastated by major disasters occurring between July 1, 1967, and December 31, 1970, shall be expended on the basis of costs as certified by State and local governments and shall not be limited to costs estimated by damage surveys made after obligations have been incurred.

Mr. MILLER. Mr. President, will the Senator from Texas yield?

Mr. YARBOROUGH. I yield.

Mr. MILLER. Mr. President, I ask for the yeas and nays on the passage of the bill. I couple this with the observation that I think the Senate is acting on one of the most meaningful pieces of proposed legislation in my 10 years in the Senate. We have had trouble with the House mainly, I think, because the House has not understood some of the background which resulted in this bill. I would hope that we would have a unanimous vote on the bill. I think it would help us in our dealings with the House.

Mr. President, I ask for the yeas and nays on the passage of the bill.

The yeas and nays were ordered.

Mr. YARBOROUGH. Mr. President, I digress for a moment from discussing the amendment to concur in the observations of the Senator from Iowa on this great piece of legislation. I want to point out something else. The poor people who suffer in these disasters have no legal representation in the usual case. I have been on the scene. I have an office opened in Corpus Christi to assist disaster victims. I have had as many as four assistants there at a time working with these unfortunate people. There is no Federal money provided for these services. I have had to raise the money to keep this office open.

There is no legal assistance available for the poorer disaster victims. They are not able to hire lawyers to explain to them their rights under the various disaster programs.

Senator GRAVEL and I introduced an amendment to S. 3617 which would provide legal assistance to disaster victims when they are not able to hire lawyers for themselves. I am pleased that it was accepted. This is another advancement.

This is a very fine bill. I commend the distinguished Senator from Indiana, the distinguished Senator from West Virginia, and other Senators from both sides of the aisle who have worked out the finest disaster relief bill in the history of the United States.

Now I return to my limited amendment.

The amendment pertains to the Hurricane Beulah disaster which struck the Texas east coast on the morning of September 20, 1967, which was declared a natural disaster by President Johnson on September 28, 1967. Local officials of Cameron and Willacy Counties, two of the most seriously devastated counties in the disaster area, immediately pursued rehabilitation efforts, making every effort to comply with the guidelines of the Office of Emergency Preparedness.

Despite the good faith efforts of these counties and the performance of work by contractors, there has been constant disputing over the reimbursement of expense relating to the rehabilitation efforts, even though the Governor of the

State of Texas has certified these costs as well as the local governments. The Governor has also appealed the determinations of the Office of Emergency Preparedness, but unsuccessfully.

The circumstances of this problem are fairly simple. There was a hurricane, and relying on indications that the area would be declared a natural disaster, the counties began the emergency rehabilitation as they should. After the fact and after obligations were made by the counties, OEP made their own damage survey estimate and denied the claims after the obligations had already been incurred.

This is an unforgiveable situation in which the OEP has a contractual obligation to reimburse for reasonable sums expended in performance of eligible work under the Federal Disaster Act and the counties expended substantial sums in reliance on this commitment. There is no allegation that the counties did not make every effort to comply with all the guidelines of OEP, yet their claims have been denied.

If these costs are not reimbursed then it would be unreasonable to assume that any contractor would assist in rehabilitation efforts until he had the cash in hand, since the Government's contracts would be meaningless. It is my understanding that this amendment would cost no new money, since \$10 million was allocated for the relief following Hurricane Beulah and there is more than enough remaining to pay these remaining claims.

Mr. President, I ask all Senators to give this amendment their full support.

Mr. DOLE. Mr. President, will the Senator from Texas yield?

Mr. YARBOROUGH. I yield.

Mr. DOLE. Do I understand correctly that the Senator's amendment is No. 877?

Mr. YARBOROUGH. That is correct.

Mr. DOLE. Has there been any change in the language of amendment No. 877 as it is on our desks?

Mr. YARBOROUGH. No; it is just as it was. Ten million dollars was allocated for relief. It has not been paid. This amendment provides that Cameron and Willacy Counties shall be repaid for their expenses in cleaning up the damage. The taxpayers there are overburdened with the expense. This amendment calls for no new money. The \$10 million originally appropriated is still available.

Mr. COOPER. Mr. President, will the Senator yield?

Mr. YARBOROUGH. I yield.

Mr. COOPER. I feel an obligation to say something about this proposal, not only because I am the ranking Republican member of the committee, but also, as Kentucky has had many flood disasters, I have some knowledge of situations like this in my own State.

As I read the Senator's amendment, it provides that as to every kind of damage that occurred because of disaster between July 1, 1967, and December 31, 1970, anywhere in the land, when a county or a State sends in a bill and certifies that it is correct, that is all there is to it; the Federal Government will have to pay it. It would simply re-

move the Federal administrator from the program. The Federal Government would pay the bill for each county or each city which certified to the amount.

The Senator from Texas (Mr. YARBOROUGH) has always been loyal to his State and his people; but having had experience in my own State, in only one or two counties I am glad to say, I must say that I shall have to vote against the proposal of the Senator from Texas.

Mr. YARBOROUGH. The present Governor of my State has been to Washington time after time to seek reimbursement for the debt that the counties incurred. The previous Governor would not ask for a declaration of disaster. The previous Governor incurred the obligation that was paid at that time. There was a hiatus of 8 days until there was a declaration of disaster.

Mr. BAYH. Mr. President, will the Senator permit me to make one observation?

Mr. YARBOROUGH. Yes.

Mr. BAYH. As I understand what the Senator has said, there was a difference between the amount declared to be the cost of cleaning up debris at the time and the later estimate by OEP. The estimated amount has been paid. What the Senator from Texas is trying to do is to have the counties affected reimbursed for the actual cost.

Mr. YARBOROUGH. The actual cost, as the OEP made its estimate, which came in after the money was spent.

Mr. BAYH. The Senator from Texas is free to handle his amendment as he sees fit, but the Senator from Indiana might suggest that, inasmuch as the grievance that concerns the Senator from Texas, as to which he has evidence concerning the disparity between the estimate and the actual cost in two counties—I do not know how many hundreds of counties might be covered by his amendment now—perhaps he would have less opposition from some Senators who are concerned about opening a Pandora's box if he would limit the amendment to the counties affected by disasters which occurred only during the last 6 months of 1967. This would confine the amendment sufficiently to deal with the two grievances that the Senator brings to our attention, without opening a Pandora's box and applying the amendment to the whole country, about which we have no evidence on the actual expenditures which might be involved.

Mr. YARBOROUGH. Mr. President, I ask unanimous consent that I may amend my amendment on line 4 by striking out "1970" and inserting in lieu thereof "1967."

The PRESIDING OFFICER. The Senator from Texas has a right to modify his amendment, and the amendment will be so modified.

Mr. DOLE. Mr. President, I oppose the amendment. As I understand, the work was done on an emergency basis, and that sometimes is necessary. I also understand that the OEP no longer approves contingency contracts; but many efforts have been made, as the Senator from Texas has pointed out, by the Governor and others to justify the increased payments.

They have appealed to the OEP; they have appealed to the director, and in each instance, they have not been able to justify the claim that is now presented to the Senate.

In all disasters since Public Laws 875 was enacted in 1950, I am informed by OEP that, State and local governments have been advised to go ahead and perform emergency work that they felt was urgent and to file an application as soon as they could. The work would be inspected and surveyed as soon as possible by the State and Federal governments and eligible work would be approved for reimbursement from disaster funds allocated.

This has been the practical thing to do and has been well received by applicants generally. There have been exceptions—generally where contractors have contracted to do work by contingency contract with the understanding that they would accept as payment the amount the applicant collected from OEP; when contractors have charged greatly in excess of prevailing rates in effect in the area; or when work performed was greatly in excess of emergency repairs or temporary replacements or other in eligible work. Contingency contracts are now prohibited by OEP regulations, but were not prohibited when Hurricane Beulah occurred during September 1967.

There have been instances where damage is so extensive that it requires weeks or several months to make complete inspections, write reports and process an application completely. In such instances, the applicants are briefed concerning OEP policies and criteria and advised to go ahead with emergency work with full knowledge that only eligible work is reimbursable. State and Federal representatives are available to local governments for consultation on any problems that arise during emergency work.

Procedures for approval of eligible work and for processing claims for payment are covered by OEP circular 4000.5B. As stated in section IV of that circular, the applicant must submit supporting documentation of costs and a certification of the cost of eligible work.

Prior to payment of such claims, Federal or State representatives inspect the completed work and the cost records are audited.

It appears that the intent of the senior Senator from Texas is that the proposed amendment authorizes expenditures based only on costs certified by State and local governments.

I am told that the facts involved in the Cameron and Willacy County claims were carefully considered by the OEP Director in making his decision. Governor Preston Smith appealed these cases to the Director and presented his justification for increased payments. County and State officials, accompanied by the contractor, presented additional information and records, for the Director's consideration, while the appeal was being processed. OEP engineers and auditors, assisted by Bovay, Inc., and by professional staff of other Federal agencies, evaluated the facts involved and justified reimbursement for all identifiable and eligible work.

If these two claims were reopened upon the basis of the amendment consistent with the intent expressed by the Senator from Texas, OEP would make payments without Federal inspection of the work nor audit of costs. This would result in additional payments to Cameron County of \$541,482 and to Willacy County of \$138,037 to fully satisfy their claims.

We really have a private relief bill for one construction company, the George Construction Co. Although the money is to go to Cameron County, in the amount of \$54,482, and to Willacy County in the amount of \$138,037, in fact, it would go to one construction company.

I believe the amendment as amended is even more unfair than it was originally, because now we say to other projects, "You are excluded."

This practice would eliminate all control by the Federal Government in the administration of the Disaster Act since it would nullify all criteria, rules and regulations and authorize payment of all obligations incurred at the pleasure of the State and local governments.

The amendment would open the door to a situation that would allow other 11 applicants who had their certified costs reduced by audit to claim full payment of the costs certified regardless of audit findings or eligibility. It would change the basis upon which the Federal disaster assistance program is founded.

In the history of the disaster assistance program, there have been few appeals of decisions by local applicants and few have ever been appealed to the OEP Director. Only two cases have involved litigation to recover additional sums from the United States. One case has been dismissed with prejudice and the other is still pending. I am informed that OEP anticipates no difficulty in making payments to local applicants through State governments nor in obtaining contractors to perform emergency work in accordance with OEP regulations.

Of course, we have no idea what the actual cost in dollars might be, but it would open the door even with the 6 months limitation to other applicants who had their certified costs reduced by audit, to claim full payment.

This is the issue. The costs have been certified, and I believe the amendment, if adopted, would change the basis upon which the Federal disaster assistance program was founded, and which exists today. So I, as the ranking member on the Republican side, cannot accept the amendment.

Mr. YARBOROUGH. Mr. President, this is not a private relief bill. It is a disaster relief bill for Willacy and Cameron Counties. It was occasioned by the delay of the Governor of my State in requesting that those counties be declared a major disaster area. Your humble servant was requesting a declaration of a disaster, but the Governor's delay prevailed, and in that time while we were facing this disaster, with the roads ruined and with the debris all over the streets and things, these counties made this contract to clean up damages.

This is not a case of the enlargement of the contract after an additional claim.

This was what it cost from the beginning. They certified it; the Governor of Texas had his own observers survey it, and found it was reasonable; but the OEP went in and made a survey later, and, based on their claim of what the damage should have been, they said, "The county has paid too much."

The taxpayers of that county are in the midst of the poverty belt. The poverty belt of America stretches from Brownsville, Tex., the area where these counties are located, through San Diego, Calif. That area along the Mexican border includes the lowest income people in the United States, because it is arid. You cannot raise anything without irrigation, and the only people there who have irrigation are the wealthy people.

There is less tax base there upon which to build the tax burden than anywhere else in the country. In those counties, you will find, as well as on through this belt of Texas, New Mexico, Arizona, and southern California, that this is a poverty belt, with the lowest income and the lowest educational attainments in the Nation. It is not the fault of the people there, Mr. President. Where I grew up, with 38 inches of annual rainfall, if a man just threw some sweet potato slips and a few black-eyed peas and corn in the ground, he could almost make a living. But these people have a tax base already taxed to the breaking point, and then OEP comes in and says, "You should not have paid this much; we are smarter than you are, and we know."

They are smarter after it has all been cleaned up and repaired. They should have been down there when I was. In one of these counties, the county seat of Willacy County, Raymondville, was isolated by the water, by highway, for 6 weeks. You had to take boats and go in there. For 6 weeks they were cut off; and then they had some OEP man come in later and say, "We are going to survey it now; your damage was not this much."

I think it is a just claim, and a matter for which the law provides. We are not trying to create new law; we are just trying to prevent the OEP from misusing these poor counties of America.

Several Senators addressed the Chair. The PRESIDING OFFICER (Mr. ELLENDER). The Chair recognizes the Senator from Colorado.

Mr. ALLOTT. Mr. President, we are here because we are all interested in disaster relief. There were some radical changes made in this law in 1967, I believe, or 1969, particularly, when we provided that the Government could go in on private land and clear away refuse and the deposits of floods and disasters.

I have only this to say, as to principle: I think it is bad to go backward and authorize these things that are in the past. If we are going to do that tonight, I think what we ought to do, to be fair, is that I be given time to prepare a proper amendment, because in the floods of 1965, in Colorado, there were millions of dollars of damage done to private homes and farmers, ruining some of the best farmland we had in the State; and if we are going to be retroactive in this situation, I think we have to do it across the board with everyone in the country.

I would like an opportunity, then, to

prepare tonight an amendment to take into consideration the damage to individuals in those floods. Some of the land, in fact a great deal of the land, has never been cleared of the flood refuse since 1965. That provision has been enacted into law since then, but if we are going to be retroactive—which is a principle I disagree with, and I hope the amendment will be defeated—then I think we ought to have time for the rest of us to come in and be retroactive for a long way.

Several Senators addressed the Chair.

Mr. ALLOTT. Mr. President, I have the floor.

The PRESIDING OFFICER. The Senator from Colorado has the floor.

Mr. YARBOROUGH. Mr. President, will the Senator from Colorado yield to me? I believe it will save time.

Mr. ALLOTT. I yield.

Mr. YARBOROUGH. Mr. President, I have just conferred with the authors of the bill, and in view of the lateness of the hour and the opposition, which we did not expect to be as strong, and the other claims to come in also, I would not want to delay the bill beyond tonight, and I will withdraw the amendment and seek other modes of relief. We will offer it some other time, when there is more opportunity for careful consideration.

I withdraw the amendment.

The PRESIDING OFFICER. The amendment is withdrawn. The Senator from Alaska is recognized.

Mr. STEVENS. Mr. President, I call up my amendment, which is at the desk, and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows: The Senator from Alaska (Mr. STEVENS) proposes an amendment, for himself and Mr. GRAVEL, as follows:

On page 79, following line 2, insert the following new subsection.

"(c) In the case of any loan made under section 7(b)(1) of the Small Business Act, as amended (15 U.S.C. 636(b)) as a result of the Good Friday earthquake, which occurred on March 27, 1964, the Small Business Administration shall, at the borrower's option, on that part of any loan in excess of \$500 cancel (i) the interest due on the loan, or (ii) the principal of the loan, or (iii) any combination of such interest or principal except that the total amount so canceled shall not exceed \$1,800."

Mr. STEVENS. Mr. President, this provision is quite similar to section 7 of the Disaster Relief Act of 1969, which provided for forgiveness of these SBA loans in an amount not to exceed \$1,800.

On July 6, the Senator from Oklahoma (Mr. BELLMON) introduced for me a bill pertaining to this subject. I ask unanimous consent that I be permitted to have printed in the RECORD at this point the chart showing some 50 areas which were given forgiveness under the 1969 Disaster Relief Act.

There being no objection, the chart

was ordered to be printed in the RECORD, as follows:

State, counties, and parishes	Cause	SBA Declaration Date
PACIFIC COASTAL AREA		
Alaska: Fairbanks, etc.		Aug. 16, 1967
California:		
San Luis Obispo		Jan. 21, 1969
Los Angeles		Jan. 23, 1969
Riverside		Jan. 27, 1969
Fresno, Tulare, Stanislaus		Jan. 29, 1969
Contra Costa		Mar. 3, 1969
Marin County	Flood	Dec. 30, 1969
All areas	do	Feb. 3, 1970
1 Camille. 2 Gladys. 3 Beulah.		
Mr. STEVENS. This act extended back to the 1967 disasters, the major disasters, the same provisions that have been made available for Hurricane Betsy, which was the disaster of 1965.		
The 1969 act, Mr. President, extended to the Fairbanks flood area the provisions of the forgiveness section. However, the major disaster that we have had in Alaska—as a matter of fact, the major seismic disturbance that has occurred on the North American Continent—occurred on Good Friday in 1964.		
This amendment would extend the same privileges to the SBA borrowers, some 1,325 individual home owners in the Anchorage area, that was received by the victims of the Fairbanks flood in 1967, pursuant to the 1969 act. It is extending the same forgiveness that was made available to the people in 50 areas, including the Fairbanks area, pursuant to the act we passed last year. That provision was written in the House, after the measure had passed this body, and there was no opportunity to attempt to extend equality to the people who suffered as a result of the Good Friday earthquake in Alaska.		
I might point out that the 1,325 loans include the loans that were extended to people as far south as California. There were some in Oregon, also. There were 1,325 individual loans issued by the SBA as a result of that Good Friday earthquake.		
I seek to have the same forgiveness extended.		
Mr. DOLE. Mr. President, I have not conferred with the Senator from Indiana at length with reference to this amendment. I can understand, again, the desire to go backward. In fact, it has been suggested that we go back to the Chicago fire and then include everything from that date. But I recognize the serious tragedy they had in Alaska.		
I recognize that we made certain exceptions in the first amendment offered by the Senator from Texas. Does the Senator from Alaska have the estimated cost of this amendment? Does it cover SBA loans, FHA loans and VA loans?		
Mr. STEVENS. This covers the SBA loans only, and there are 1,325. A considerable number of those have been repaid. The maximum obligation, if they		
NORTHEASTERN AREA		
Maine: All areas	Dec. 31, 1969	
NEW YORK AREA		
New York: Cattaraugus	Oct. 3, 1967	
New Jersey: Bergen, Essex, Middlesex, Morris, Passaic, Somerset, Union	June 3, 1968	
New York: Sullivan	Aug. 1, 1969	
MIDDLE ATLANTIC AREA		
Kentucky: Bracken, Greenup, Jessamine, Mason, Pendleton (with Ohio)	Apr. 25, 1968	
Ohio:		
Brown, Scioto (with Kentucky)	Apr. 25, 1968	
Athens, Butler, Clinton, Gallia, Hocking, Jackson, Ross, Warren	May 29, 1968	
Kentucky: Allen, Warren	June 25, 1969	
Ohio: All areas	July 11, 1969	
Pennsylvania: Carbon, Schuylkill	Aug. 8, 1969	
Virginia: All areas	Rains ¹	Aug. 21, 1969
West Virginia: All areas	do	Aug. 22, 1969
Kentucky: Harlan County	Flood	Jan. 2, 1970
SOUTHEASTERN AREA		
Florida: All areas	(2)	Oct. 21, 1968
Tennessee: Macon		June 25, 1969
Mississippi: All areas	(1)	Aug. 18, 1969
Alabama:		
All areas	(1)	Do.
All areas affected	Tornado	Mar. 27, 1970
MIDWESTERN AREA		
Iowa: All areas		May 17, 1968
Illinois: All areas		Do.
Iowa: Black Hawk, Bremer, Buchanan, Butler		July 19, 1968
Minnesota:		
Blue Earth		Aug. 12, 1968
All areas (with Iowa, North and South Dakota, and Wisconsin)		Apr. 15, 1968
Iowa: All areas (with Wisconsin, North and South Dakota, Iowa, and Minnesota)		Do.
Wisconsin: All areas (with Iowa, North and South Dakota, and Minnesota)		Do.
Illinois: Rock Island		May 5, 1969
Minnesota: Nobles		July 2, 1969
Iowa: Marshall, Tama		July 15, 1969
Illinois: Jo Daviess, Stephenson		July 8, 1969
SOUTHWESTERN AREA		
Texas: All areas	(3)	Sep. 20, 1967
Arkansas: Sebastian		Apr. 22, 1968
Arkansas: Garland, Pulaski, Sebastian, Sevier		May 15, 1968
Arkansas: All areas		May 17, 1968
Oklahoma: LeFlore		May 21, 1968
Texas: All areas	Storm Candy.	June 25, 1968
Louisiana: All areas	(1)	Aug. 18, 1969
Texas:		
Northwest areas	Tornado	Apr. 18, 1970
Lubbock County	do	May 12, 1970
Hayes County	Flood	May 15, 1970
ROCKY MOUNTAIN AREA		
Kansas:		
Ness		June 2, 1967
Garden City, Finney		June 26, 1967
Nebraska: All counties through which 183 passes, etc.		June 16, 1967
North Dakota: All areas (with Minnesota, South Dakota, etc.)		Apr. 15, 1969
South Dakota: All areas (with North Dakota, etc.)		Do.
Kansas: Saline		June 25, 1969
Colorado: Boulder and Jefferson Counties	Flood	Dec. 26, 1969
North Dakota: Ransom County	do	June 2, 1970

all received the maximum forgiveness, which is discretionary with the SBA, would be \$2.3 million. I am advised that it would be substantially less than that, because a number of them have been paid off, and the SBA has discretion as to how much they forgive.

Mr. DOLE. I want to make the point that by going back to 1964, we leapfrog disasters in the interim. I can recall one in Indiana on Palm Sunday of 1965. I can recall a tornado in Topeka, Kans., in 1966, and there have been many other disasters during that time.

I do not have the same reservation expressed earlier by the Senator from Colorado with reference to retroactivity, but it does appear that there must be some consistency with reference to the application of the provisions. Again, as I said earlier, to be consistent I could not accept the amendment. If the Senator from Indiana wants to accept the amendment, I will not insist on a record vote.

Mr. STEVENS. Mr. President, what I am seeking is consistency. We have a small population in our State, and the flood of 1967 did not touch as many Alaskans as did the earthquake of 1964. Yet, last year the provisions of the forgiveness section were extended to the flood victims. I am merely seeking consistency within our State, so that those people who had SBA loans from the 1964 disaster would receive the same treatment. As I pointed out, some 50 areas in other States—that was in the chart I inserted in the Record—have been given similar special relief by virtue of the 1969 amendment, and I feel that this is sheer equity for the people of the area who suffered from the Good Friday earthquake.

Mr. MILLER. Mr. President, will the Senator yield?

Mr. STEVENS. I yield.

Mr. MILLER. May I ask the Senator from Alaska a question? Do I correctly understand that in the 1969 act, a provision was inserted in the House which covered the 1967 disaster in Alaska?

Mr. STEVENS. No. May I interrupt my colleague? The provision covered all disasters in the area back to 1967. Some 50 major disasters were covered by that retroactive provision.

Mr. MILLER. But it did not go back to 1964?

Mr. STEVENS. That is right.

Mr. MILLER. The 1964 disaster, if anything, was a lot worse than the others.

But as I understand the Senator, at the time it was possible to consider this bill in conference, it was locked up so that we could not go back to 1964.

Mr. STEVENS. That is correct.

Mr. MILLER. What the Senator from Alaska is trying to do now is to do what should have been done in the House with the 1969 act. I think that to that extent he has a point.

We can take a completely negative attitude on retroactivity. I do not think most of us do. I think there are times when we can make exceptions, and we have all voted for them. If this were something new that had not been taken up before, I would feel differently about

it. But I suggest that there was a defect in the 1969 act, and all the Senator from Alaska is trying to do is to fill the void that was left in the 1969 act, which was an exception—it was a retroactive proposition—and he is doing it on a very austere basis.

I hope that this amendment might at least be taken to conference; and if the House does not recognize that there was a defect, then it will not agree to it. But if the House does recognize that there was a defect, then the Senator from Alaska's objective will be achieved.

Mr. YARBOROUGH. Mr. President, will the Senator yield?

Mr. STEVENS. I yield.

Mr. YARBOROUGH. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. YARBOROUGH. Is the amendment subject to amendment?

The PRESIDING OFFICER. Yes.

Mr. YARBOROUGH. Mr. President, I send to the desk an amendment and ask that this amendment be adopted to the amendment offered by the Senator from Alaska.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

On page 65, line 5, after "Act." insert the following:

"Funds allocated for the relief of areas devastated by major disaster occurring between July 1, 1967, and December 31, 1967, shall be expended on the basis of costs as certified by State and local governments and shall not be limited to costs estimated by damage surveys made after obligations have been incurred."

Mr. YARBOROUGH. I request the Senator from Alaska to accept my amendment. It involves several hundred thousand dollars, far less than a million dollars. It does not involve nearly as much as does the amendment of the Senator from Alaska.

Mr. BAYH. Mr. President—

The PRESIDING OFFICER. Does the Senator from Alaska yield to the Senator from Indiana?

Mr. STEVENS. I yield.

Mr. BAYH. The Senate will work its will on both amendments, but I think it is important for us to understand what we are in the process of doing.

I said earlier, in private conversations, to the Senator from Texas and to the Senator from Alaska that, so far as the Senator from Indiana was concerned, it seemed that on the merits of both amendments, the Senator from Indiana would not object. But I must admit, if we look back at the argument that was made rather cogently by the Senator from Florida relative to how his constituents are going to feel on this, I ask myself how the good people of Indiana are going to feel, because I do not make this retroactive and include the tornados in Indiana, and I begin to see a larger question.

I should like the Senate to be advised that when the original bill finally was considered by the House and we finally got pretty well two-thirds of a loaf last year, the Senator from Indiana tried to get retroactivity for the whole package

at that time. The House was adamant. What the House does, of course, is their business. We in the Senate need to take that into consideration a little, I think. I have no objection to the amendment of the Senator from Alaska or the amendment of the Senator from Texas, but I must say that I have a list here of 292 disasters that have occurred in the time span we are talking about. I cannot think of a better way to invest our resources than to plow it back into the areas affected by these disasters.

Mr. STEVENS. May I state to the Senator from Indiana that he is correct, some disasters have been missed, but this provision applies only to the amount for the 1964 earthquake. Most are in the same category, in that they have not been repaid. I agree. We made a major mistake regarding the retroactivity, in not picking up the total areas and giving equality. The bill prospectively has equality in it. From now on, we will authorize SBA to forget a certain portion of the loans designed to help homeowners, which is a good idea, but what I am seeking is specific relief to remedy the situation existing in our State, whereby the people of one area got the relief but the people who had a major disaster did not get the relief. This is, to us, a significant thing, because our people are saying, "How is it that Congress extends relief to people suffering from floods but did not recognize our great disaster up here in 1964?"

I think that was the greatest natural disaster on the northern continent insofar as an earthquake is concerned. We have had several disasters since then which were natural disasters but we are not asking to be included. There have been hurricanes, floods, and other smaller disasters. I do not wish anyone to have a disaster, but ours was a major disaster, "the" major disaster on this continent so far as an earthquake is concerned. All we seek is equity, on that basis.

The Senator from Texas has offered his amendment. Now I know what I am getting into, and I would like to ask the Chair, do I have the prerogative, Mr. President, of accepting the amendment of the Senator from Texas?

The PRESIDING OFFICER (Mr. JORDAN of Idaho). The Senator has the prerogative of modifying his own amendment but he cannot deal with an amendment offered by another Senator to his own amendment.

Mr. YARBOROUGH. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Texas will state it.

Mr. YARBOROUGH. Can the Senator modify his amendment by accepting my amendment?

The PRESIDING OFFICER. He can do that by accepting the Senator's amendment, by modifying his amendment to incorporate the amendment of the Senator from Texas.

Mr. STEVENS. Mr. President, I accept the Senator's amendment.

Mr. YARBOROUGH. I thank the distinguished Senator from Alaska.

Mr. STEVENS. Mr. President, I ask that I may modify my amendment accordingly.

THE PRESIDING OFFICER. The amendment is so modified.

The question now is on agreeing to the amendment, as modified, of the Senator from Alaska.

MR. STEVENS. Mr. President, I move adoption of my amendment.

MR. DOLE. Mr. President, will the Senator from Alaska yield to me?

THE PRESIDING OFFICER. The Senator from Alaska still has the floor. Does the Senator from Alaska yield to the Senator from Kansas?

MR. STEVENS. I yield.

MR. DOLE. I thank the Senator for yielding. I want to ask, in an effort to be consistent, as indicated earlier, and again I am sympathetic to the views of both Senators from Alaska and also the Senator from Texas, whether the Senator would accept another modification of his amendment to apply it to all disasters since Good Friday, March 27, 1964.

MR. STEVENS. I will not accept such an amendment. I would be happy to accept an amendment which would apply to any earthquake that was of worse intensity than our 1964 earthquake.

MR. DOLE. We did not have an earthquake in Kansas, nor did they have one in Indiana, but we had tornadoes and we had casualties in Kansas and Indiana. Millions of dollars worth of damage was done in Kansas. Many loans were made there. There were 292 other disaster areas. If we want to be objective in this matter, we should apply this amendment across the board and not exclude anyone.

Those who were hit by a disaster in Indiana, or Kansas, suffered no less than those living in Alaska, whether it was an earthquake, a tornado, a flood, or whatever.

MR. STEVENS. I agree. There were two disasters in Kansas out of 50 other areas which we covered in the 1969 amendment. But the major disaster in Alaska was forgotten, unfortunately, although it could have been put back in. Had it occurred here, I would have been arguing here, but it occurred when the matter got to the House and was beyond my control. I feel firmly that equity is equity. The people in Fairbanks got relief from the 1969 amendment. The people who suffered from the major disaster did not receive the same treatment as those who suffered from that same disaster.

MR. WILLIAMS of Delaware. Is it not true that, regardless of the size of a disaster, to the individual homeowner, to the individual, whether he is in Kansas, New Jersey, or wherever he is, if he has lost his home, that is a major disaster to him of equal proportions, even though his is the only home that was destroyed.

Unfortunately, adoption of the pending amendment, I believe, would create another inequity, on the basis that those who paid their own loans would not get any benefits, but those who were delinquent and did not pay their loans would get benefits from this relief. Would it not only further aggravate the situation by adoption of this amendment? I think it would be most unfair, unless we did it retroactively and included those who paid their loans, wherever they may be.

The next question is, to find the money to pay for it.

MR. STEVENS. We were not being inequitable in the areas such as New York, New Jersey, or Kentucky in the year 1969. We went back to January—I forgot the exact date—but it went back to—oh, July 1, 1967—we crossed that bridge and decided that we would wipe out a portion of the loans to assist the homeowners. The next problem is—the Senator is right—to an individual, a disaster is a disaster, but to a community that suffers total disaster such as at Anchorage, the amount being sent out there to repay the loans is just that much less to enable us to redevelop the area.

That is why section 321 is in the bill. It gives the homeowner a certain portion of the money with which he seeks to buy furniture, and do all the other things with the money he might receive to repay his home, because he has rebuilt it. The whole theory of the bill is what I am arguing. I say that this is equitable, and what the Senator from Texas seeks is equitable. I hope that the Senate will adopt the amendment.

MR. ALLOTT. Mr. President, I was hoping that the Senator from Alaska would withdraw his amendment as amended. I am extremely sorry that the senior Senator from New Mexico is not in the Chamber at this time because he knows more than anyone else in great detail the actual amount of money that we, as the Government, contributed to Alaska at the time of its great disaster.

Of course, a disaster is only measured in terms of individuals and how it affects individuals. But I will have to say that I do not care how this amendment is handled. If it should be some unfortunate circumstance pass, I intend to ask for a quorum call and to go on and on until I have ample time to prepare an amendment. I do not know how far I am going with that.

I might go back to the 1965 flood in Colorado, or I might go back to the 1921 flood in Colorado, or I might even go back to the Galveston hurricane which I believe was—what?—1898?

MR. WILLIAMS of Delaware. Or the Chicago fire.

MR. ALLOTT. Yes, or the Chicago fire in the 1800's. I use these dates only to illustrate how utterly foolhardy this situation is. I hope that the amendment will be rejected.

MR. EASTLAND. Mr. President, I wish to state my firm belief that the pending legislation is the most comprehensive and inclusive disaster relief program ever considered by the Congress.

It is the product of years of dedicated effort led by the distinguished Senator from Indiana. It reflects the truly outstanding work done by the staff of Public Works. It is a distillation of the best portions of the Alaska, California, Indiana, Betsy, and other bills. And—it was refined by that unprecedented catastrophe called Camille.

Hurricane Camille, described by the National Hurricane Center in Miami as "the greatest storm of any kind that has ever affected the Nation," took the lives of 265 of our citizens—leaves 55 persons still unaccounted for—injured more

than 9,000—inflicted losses on 78,000 families—and—cost us \$1½ billion in damages.

Since that terrible storm we have suffered major disasters in 19 States, the most destructive of which were the Lubbock tornadoes and Hurricane Celia.

Sadly—Mr. President—we must anticipate additional catastrophes which will afflict Americans across our land. We cannot prevent the occurrence of these rampages of nature. We can—however—and we must do everything this Government is capable of to lessen the human suffering which always accompanies calamities.

We have the tools we need for this vital mission in the provisions of S. 3619. This legislative package—I am proud to say—supports the restoration of structures—and—of much more importance—it offers the hand of meaningful assistance to the average American man and woman. It provides for the rehabilitation of people as well as for the rebuilding of facilities.

Finally, Mr. President, it would write into law a broad and effective response to disaster—not after the fact—but in advance of these catastrophic events. No longer will we seek legislative cures after our people are hurt and our property destroyed. Now—at long last—we will have in our hands the weapons to fight the fury of natural disaster—and—we will have a program ready to go into immediate and effective action hours—not months—after the storm or the earthquake or the flood subsidies.

I am proud to be a cosponsor of this legislation. In the interest of America and every American I urge the passage of S. 3619.

MR. HARRIS. Mr. President, I rise in support of S. 3619, the Omnibus Disaster Assistance Act, as reported by the Committee on Public Works. I am a cosponsor of the original version of S. 3619, and I feel the committee has made some important improvements in the legislation.

As the committee report states:

This bill seeks to coordinate disaster relief and recovery efforts of all appropriate Federal, State and local authorities, and relief and disaster assistance organizations under a single, permanent law, so that when disaster strikes anywhere in the country—as inevitably it will—the full resources of both public and private sectors may be brought to bear to meet the immediate challenge and to undertake the long, and difficult costly task of repair, rehabilitation, reconstruction and replacement.

I know the adoption of this legislation will go a long way toward relieving the burden of those who suffer the destruction and loss caused by a flood, tornado, hurricane, or similar disaster.

I was especially happy to have joined with my distinguished colleagues, Mr. YARBOROUGH, as a cosponsor of his amendment to the omnibus disaster bill, S. 3619. Senator YARBOROUGH's amendment provided that special assistance would be available to victims of natural disasters who are threatened with the loss of their homes as a result of foreclosures, cancellation, or termination of their mortgages or leases because of the effect of major disasters. The amendment authorizes the SBA to provide as-

sistance to such people on a temporary basis in the form of mortgage or rental payments to or on behalf of individuals and families who as a result of financial hardship caused by a major disaster have received written notice of dispossession or eviction from a residence by reason of foreclosure of any mortgage or lien, cancellation of any contract of sale, or termination of any lease.

Mr. President, I wish to commend the distinguished Senator from Texas (Mr. YARBOROUGH) for his work in preparing this important amendment, and I wish to commend the Senate Public Works Committee for recognizing its merits and adopting its provisions as a part of S. 3619. The State of Oklahoma is often annually stricken by one or more destructive tornadoes. Many families have suffered the loss of their homes and all their belongings because of these natural disasters, and I feel the provisions of the omnibus disaster bill, which will provide special assistance to these people in order to assist them in making their mortgage payments or rental payments, will keep them from suffering total financial ruin and will give them the help needed to put them back on the road to economic recovery and financial security.

Mr. STENNIS. Mr. President, I ask unanimous consent that my name be added as a cosponsor of the bill.

The PRESIDING OFFICER (Mr. JORDAN of Idaho). Without objection, it is so ordered.

Mr. ALLEN. Mr. President, I ask unanimous consent that my name be added as a cosponsor of the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ELLENDER. Mr. President, I ask unanimous consent that my name be added as a cosponsor of the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendment as modified.

The amendment was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment in the nature of a substitute as amended.

The committee amendment in the nature of a substitute was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from Nevada (Mr. BIBLE), the Senator from North Dakota (Mr. BURDICK), the Senator from Virginia (Mr. BYRD), the Senator from Nevada (Mr. CANNON), the Senator from Connecticut (Mr. DODD), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Indiana (Mr. HARTKE), the Senator from Iowa (Mr. HUGHES), the Senator from Wash-

ington (Mr. JACKSON), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Washington (Mr. MAGNUSON), the Senator from Minnesota (Mr. McCARTHY), the Senator from Wyoming (Mr. McGEE), the Senator from South Dakota (Mr. McGOVERN), the Senator from New Hampshire (Mr. MCINTYRE), the Senator from Montana (Mr. METCALF), the Senator from New Mexico (Mr. MONTOYA), the Senator from Maine (Mr. MUSKIE), the Senator from Connecticut (Mr. RIBICOFF), the Senator from Georgia (Mr. RUSSELL), the Senator from Missouri (Mr. SYMINGTON), the Senator from Maryland (Mr. TYDINGS), the Senator from New Jersey (Mr. WILLIAMS), the Senator from Ohio (Mr. YOUNG), and the Senator from Idaho (Mr. CHURCH) are necessarily absent.

I further announce that, if present and voting, the Senator from Iowa (Mr. HUGHES), the Senators from Washington (Mr. JACKSON and Mr. MAGNUSON), the Senator from Wyoming (Mr. McGEE), the Senator from Connecticut (Mr. RIBICOFF), and the Senator from New Jersey (Mr. WILLIAMS) would each vote "yea."

Mr. GRIFFIN. I announce that the Senators from Vermont (Mr. AIKEN and Mr. PROUTY), the Senator from Utah (Mr. BENNETT), the Senator from New Hampshire (Mr. COTTON), the Senator from Colorado (Mr. DOMINICK), the Senator from Hawaii (Mr. FONG), the Senators from Arizona (Mr. FANNIN and Mr. GOLDWATER), the Senator from New York (Mr. GOODELL), the Senator from Florida (Mr. GURNEY), the Senator from Wyoming (Mr. HANSEN), the Senator from California (Mr. MURPHY), and the Senator from Texas (Mr. TOWER) are necessarily absent.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from Delaware (Mr. BOOGES), the Senator from Maryland (Mr. MATHIAS), and the Senator from Pennsylvania (Mr. SCHWEIKER) are absent on official business.

The Senator from Massachusetts (Mr. BROOKE), the Senator from Illinois (Mr. PERCY), and the Senator from North Dakota (Mr. YOUNG) are detained on official business.

If present and voting, the Senator from Delaware (Mr. BOOGES), the Senator from Massachusetts (Mr. BROOKE), the Senator from Colorado (Mr. DOMINICK), the Senator from Hawaii (Mr. FONG), the Senator from New York (Mr. GOODELL), the Senator from South Dakota (Mr. MUNDT), the Senator from California (Mr. MURPHY), the Senator from Illinois (Mr. PERCY), the Senator from Vermont (Mr. PROUTY), the Senator from Texas (Mr. TOWER) would vote "yea."

The result was announced—yeas 54, nays 0, as follows:

[No. 286 Leg.]

YEAS—54

Allen	Dole	Holland
Allott	Eagleton	Hollings
Baker	Eastland	Hruska
Bayh	Ellender	Inouye
Bellmon	Ervin	Javits
Byrd, W. Va.	Gore	Jordan, N.C.
Case	Gravel	Jordan, Idaho
Cook	Griffin	Long
Cooper	Harris	Mansfield
Cranston	Hart	McClellan
Curtis	Hatfield	Miller

Mondale	Proxmire
Moss	Randolph
Nelson	Saxbe
Packwood	Scott
Pastore	Smith, Maine
Pearson	Smith, Ill.
Pell	Sparkman

Spong	Stennis
Stennis	Stevens
Saxbe	Talmadge
Scott	Thurmond
Smith, Maine	Williams, Del.
Smith, Ill.	Yarborough

NAYS—0

NOT VOTING—46

Aiken	Goldwater	Mundt
Anderson	Goodell	Murphy
Bennett	Gurney	Muskie
Bible	Hansen	Percy
Boogs	Hartke	Prouty
Brooke	Hughes	Ribicoff
Burdick	Jackson	Russell
Byrd, Va.	Kennedy	Schweiker
Cannon	Magnuson	Symington
Church	Mathias	Tower
Cotton	McCarthy	Tydings
Dodd	McGee	Williams, N.J.
Dominick	McGovern	Young, N. Dak.
Fannin	McIntyre	Young, Ohio
Fong	Metcalf	
Fulbright	Montoya	

So the bill (S. 3619) was passed as follows:

S. 3619

An act to revise and expand Federal programs for relief from the effects of major disasters, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Disaster Assistance Act of 1970".

TITLE I—FINDINGS AND DECLARATIONS; DEFINITIONS

FINDINGS AND DECLARATIONS

Sec. 101. (a) The Congress hereby finds and declares that—

(1) because loss of life, human suffering, loss of income, and property loss and damage result from major disasters such as hurricanes, tornadoes, storms, floods, high waters, wind-driven waters, tidal waves, earthquakes, droughts, fires, and other catastrophes; and

(2) because such disasters disrupt the normal functioning of government and the community, and adversely affect individual persons and families with great severity; special measures, designed to expedite the rendering of aid, assistance, and emergency welfare services, and the reconstruction and rehabilitation of devastated areas, are necessary.

(b) It is the intent of the Congress, by this Act, to provide an orderly and continuing means of alleviating the suffering and damage which result from such disasters by—

(1) revising and broadening the scope of existing major disaster relief programs;

(2) encouraging the development of comprehensive disaster relief plans, programs, and organizations by the States; and

(3) achieving greater coordination and responsiveness of Federal major disaster relief programs.

DEFINITIONS

Sec. 102. As used in this Act—

(1) "major disaster" means any hurricane, tornado, storm, flood, high water, wind-driven water, tidal wave, earthquake, drought, fire, or other catastrophe in any part of the United States, which in the determination of the President, is or threatens to be of sufficient severity and magnitude to warrant disaster assistance by the Federal Government to supplement the efforts and available resources of States, local governments, and relief organizations in alleviating the damage, loss, hardship, or suffering caused thereby, and with respect to which the Governor of any State in which such catastrophe occurs or threatens to occur certifies the need for disaster assistance under this Act and gives assurance of the expenditure of a reasonable amount of the funds of such State, its local governments, or other agencies for alleviating the damage.

loss, hardship or suffering resulting from such catastrophe;

(2) "United States" means the fifty States, the District of Columbia, Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Trust Territory of the Pacific Islands;

(3) "State" means any State of the United States, the District of Columbia, Puerto Rico, the Virgin Islands, Guam, American Samoa, or the Trust Territory of the Pacific Islands;

(4) "Governor" means the chief executive of any State;

(5) "local government" means any county, city, village, town, district, or other political subdivision of any State, and includes any rural community or unincorporated town or village for which an application for assistance is made by a State or political subdivision thereof;

(6) "Federal agency" means any department, independent establishment, Federal corporation, or other agency of the executive branch of the Federal Government, except the American National Red Cross; and

(7) "Director" means the Director of the Office of Emergency Preparedness.

TITLE II—THE ADMINISTRATION OF DISASTER ASSISTANCE

PART A—GENERAL PROVISIONS

FEDERAL COORDINATING OFFICER

SEC. 201. (a) The President shall appoint, immediately upon his designation of a major disaster area, a Federal coordinating officer to operate under the Office of Emergency Preparedness in such area.

(b) In order to effectuate the purposes of this Act, the coordinating officer, within the designated area, shall

(1) make an initial appraisal of the types of relief most urgently needed;

(2) establish such field offices as he deems necessary and as are authorized by the Director;

(3) coordinate the administration of relief, including activities of the American National Red Cross and of other relief organizations which agree to operate under his advice or direction; and

(4) take such other action, consistent with authority delegated to him by the Director, and consistent with the provisions of this Act, as he may deem necessary to assist local citizens and public officials in promptly obtaining assistance to which they are entitled.

EMERGENCY SUPPORT TEAMS

SEC. 202. The Director is authorized to form emergency support teams of personnel to be deployed in a major disaster area. Such emergency support teams shall assist the Federal coordinating officer in carrying out his responsibilities pursuant to section 201(b) of this Act.

COOPERATION OF FEDERAL AGENCIES

SEC. 203. (a) In any major disaster, Federal agencies are hereby authorized, on direction of the President, to provide assistance by—

(1) utilizing or lending, with or without compensation therefor, to States and local governments, their equipment, supplies, facilities, personnel, and other resources, other than the extension of credit under the authority of any Act;

(2) distributing or rendering, through the American National Red Cross, other relief and disaster assistance organizations, or otherwise, medicine, food, and other consumable supplies, or emergency assistance;

(3) donating or lending equipment and supplies determined in accordance with applicable laws to be surplus to the needs and responsibilities of the Federal Government; and

(4) performing on public or private lands or waters any emergency work essential for the protection and preservation of life and property, including—

(A) clearing and removing debris and wreckage;

(B) making repairs to, or restoring to service, public facilities, belonging to State or local governments, which were damaged or destroyed by a major disaster except that the Federal contribution therefor shall not exceed the net cost of restoring such facilities to their capacity prior to such disaster;

(C) providing emergency shelter for individuals and families who, as a result of a major disaster, require such assistance; and

(D) making contributions to State or local governments for the purpose of carrying out the provisions of paragraph (4).

(b) Emergency work performed under subsection (a)(4) of this section shall not preclude Federal assistance under any other section of this Act.

(c) Federal agencies may be reimbursed for expenditures under section 203(a) from funds appropriated for the purposes of this Act. Any funds received by Federal agencies as reimbursement for services or supplies furnished under the authority of this section shall be deposited to the credit of the appropriation or appropriations currently available for such services or supplies.

(d) The Federal Government shall not be liable for any claim based upon the exercise or performance or the failure to exercise or perform a discretionary function or duty on the part of a Federal agency or an employee of the Federal Government in carrying out the provisions of this section.

(e) Any Federal agency designated by the President to exercise authority under this Act may establish such special groups, inter-departmental or otherwise, as it deems appropriate to assist in carrying out the provisions of law relating to Federal disaster preparedness and assistance, and the funds of any such agency may be utilized for the necessary expenses of any such group so established.

(f) In carrying out the purposes of this Act, any Federal agency is authorized to accept and utilize the services or facilities of any State or local government, or of any agency, office, or employee thereof, with the consent of such government. Any Federal agency, in performing any activities under this section, is authorized to appoint and fix the compensation of such temporary personnel as may be necessary, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of such title relating to classification and General Schedule pay rates, to employ experts and consultants in accordance with the provisions of section 3109 of such title, and to incur obligations on behalf of the United States by contract or otherwise for the acquisition, rental, or hire of equipment, services, materials, and supplies for shipping, drayage, travel, and communication, and for the supervision and administration of such activities. Such obligations, including obligations arising out of the temporary employment of additional personnel, may be incurred by an agency in such amount as may be made available to it by the President.

(g) In the interest of providing maximum mobilization of Federal assistance under this Act, the President is authorized to coordinate in such manner as he may determine the activities of Federal agencies in providing disaster assistance. The President may direct any Federal agency to utilize its available personnel, equipment, supplies, facilities, and other resources in accordance with the authority herein contained. The President may prescribe such rules and regulations as may be necessary and proper to carry out any of the provisions of this Act, and he may exercise any power or authority conferred on him by any section of this Act either directly or through such Federal agency as he may designate.

(h) The President, acting through the Of-

fice of Emergency Preparedness, shall conduct periodic reviews (at least annually) of the activities of Federal and State departments or agencies providing disaster assistance, in order to assure maximum coordination of such programs, and to evaluate progress being made in the development of Federal, State, and local preparedness to cope with major disasters.

USE OF LOCAL FIRMS AND INDIVIDUALS

SEC. 204. In the expenditure of Federal funds for debris clearance, distribution of supplies, reconstruction, and other major disaster assistance activities which may be carried out by contract with private organizations, firms, or individuals, preference shall be given, to the extent feasible and practicable, to those organizations, firms, and individuals who reside or do business primarily in the disaster area.

FEDERAL GRANT-IN-AID PROGRAMS

SEC. 205. Any Federal agency charged with the administration of a Federal grant-in-aid program is authorized, if so requested by the applicant State or local authorities, to modify or waive, for the duration of a major disaster proclamation, such conditions for assistance as would otherwise prevent the giving of assistance under such programs if the inability to meet such conditions is a result of the disaster.

STATE DISASTER PLANS

SEC. 206. (a) The President is authorized to provide assistance to the States in developing comprehensive plans and practicable programs for preparation against major disasters, and for relief and assistance for individuals, businesses, and local governments following such disasters. Such plans should include long-range recovery and reconstruction assistance plans for seriously damaged or destroyed public and private facilities.

(b) The President is authorized to make grants of not more than \$250,000 to any State, upon application therefor, for not to exceed 50 per centum of the cost of developing such plans and programs.

(c) Any State desiring assistance under this section shall designate or create an agency which is specially qualified to plan and administer such a disaster relief program, and shall, through such agency, submit a State plan to the President, which shall—

(1) set forth a comprehensive and detailed State program for preparation against, and relief following, a major disaster, including provisions for emergency and long-term assistance to individuals, businesses, and local governments; and

(2) include provision for the appointment of a State coordinating officer to act in cooperation with the Federal coordinating officer appointed under section 201 of this Act.

(d) From time to time the Director shall make a report to the President, for submission to the Congress, containing his recommendations for programs for the Federal role in the implementation and funding of comprehensive disaster relief plans, and such other recommendations relating to the Federal role in disaster relief activities as he deems warranted.

(e) The President is authorized to make grants not to exceed \$25,000 per annum to any State in an amount not to exceed 50 per centum of the cost for the purpose of improving, maintaining, and updating that State's disaster assistance plans.

USE AND COORDINATION OF RELIEF ORGANIZATIONS

SEC. 207. (a) In providing relief and assistance following a major disaster, the Director may utilize, with their consent, the personnel and facilities of the American National Red Cross, the Salvation Army, the Mennonite Board of Missions and Charities, and other relief or disaster assistance organizations, in the distribution of medicine

food, supplies, or other items, and in the restoration, rehabilitation, or reconstruction of community services and essential facilities, whenever the Director finds that such utilization is necessary.

(b) The Director is authorized to enter into agreements with the American National Red Cross and other relief or disaster assistance organizations under which the disaster relief activities of such organizations may be coordinated by the Federal coordinating officer whenever such organizations are engaged in providing relief during and after a major disaster. Any such agreement shall include provisions conditioning use of the facilities of the Office of Emergency Preparedness and the services of the coordinating officer upon compliance with regulations promulgated by the Director under sections 208 and 209 of this Act, and such other regulations as the Director may require.

DUPLICATION OF BENEFITS

SEC. 208. (a) The Director, in consultation with the head of each Federal agency administering any program providing financial assistance to persons, business concerns, or other entities suffering losses as the result of a major disaster, shall assure that no such person, business concern, or other entity will receive such assistance with respect to any part of such loss as to which he has received financial assistance under any other program.

(b) The Director shall assure that no person, business concern, or other entity receives any Federal assistance for any part of a loss suffered as the result of a major disaster if such person, concern, or entity received compensation from insurance or any other source for that part of such a loss. Partial compensation for a loss or a part of a loss resulting from a major disaster shall not preclude additional Federal assistance for any part of such a loss not compensated otherwise.

(c) Whenever the Director determines (1) that a person, business concern, or other entity has received assistance under this Act for a loss and that such person, business concern or other entity received assistance for the same loss from another source, and (2) that the amount received from all sources exceeded the amount of the loss, he shall direct such person, business concern, or other entity to pay to the Treasury an amount, not to exceed the amount of Federal assistance received, sufficient to reimburse the Federal Government for that part of the assistance which he deems excessive.

NONDISCRIMINATION IN DISASTER ASSISTANCE

SEC. 209. (a) The Director shall issue, and may alter and amend, such regulations as may be necessary for the guidance of personnel carrying out emergency relief functions at the site of a major disaster. Such regulations shall include provisions for insuring that the distribution of supplies, the processing of applications, and other relief and assistance activities shall be accomplished in an equitable and impartial manner, without discrimination on the grounds of race, color, religion, nationality, sex, age, or economic status prior to a major disaster.

(b) As a condition of participation in the distribution of assistance or supplies under section 207, relief organizations shall be required to comply with regulations relating to nondiscrimination promulgated by the Director, and such other regulations applicable to activities within a major disaster area as he deems necessary for the effective coordination of relief efforts.

ADVISORY PERSONNEL

SEC. 210. The Director is authorized to assign advisory personnel to the chief executive officer of any State or local government within a major disaster area, upon request by such officer, whenever the Director de-

termines that such assignment is desirable in order to insure full utilization of relief and assistance resources and programs.

DISASTER WARNINGS

SEC. 211. The President is authorized to utilize or to make available to Federal, State, and local agencies the facilities of the civil defense communications system established and maintained pursuant to section 201(c) of the Federal Civil Defense Act of 1950, as amended (50 U.S.C. app. 2281(c)), for the purpose of providing needed warning to governmental authorities and the civilian population in areas endangered by imminent major disasters.

PART B—EMERGENCY RELIEF PREDISASTER ASSISTANCE

SEC. 221. To avert or lessen the effects of a major disaster, the President is authorized, without declaring a major disaster, to utilize Federal resources in providing disaster assistance to any State to assist such State or any local government thereof in circumstances which clearly indicate the imminent occurrence of a major disaster.

EMERGENCY COMMUNICATIONS

SEC. 222. The Director is authorized to establish emergency communications in any major disaster area in order to carry out the functions of his office, and to make such communications available to State and local government officials and other persons as he deems appropriate.

EMERGENCY PUBLIC TRANSPORTATION

SEC. 223. The Director is authorized to provide public transportation service to meet emergency needs in a major disaster area. Such service will provide transportation to governmental offices, supply centers, stores, post offices, schools, major employment centers, and such other places as may be necessary in order to enable the community to resume its normal pattern of life as soon as possible.

DEBRIS REMOVAL GRANTS

SEC. 224. The President, whenever he determines it to be in the public interest, is authorized to make grants to any State or local government for the purpose of removing debris on privately owned lands or waters as a result of a major disaster, and is authorized to make payments through such State or local government for the removal of debris from community areas which may include the private property of an individual. No benefits will be available under this section unless such State or local government arranges unconditional authorization for removal of debris from such property and agrees to indemnify the Federal Government against any claims arising from such debris removal.

FIRE SUPPRESSION GRANTS

SEC. 225. The President is authorized to provide assistance, including grants, to any State for the suppression of any fire on publicly or privately owned forest or grassland which threatens such destruction as would constitute a major disaster.

TEMPORARY HOUSING ASSISTANCE

SEC. 226. (a) The Director is authorized to provide on a temporary basis, as prescribed in this section, dwelling accommodations for individuals and families who, as a result of a major disaster, are in need of assistance by (1) using any unoccupied housing owned by the United States under any program of the Federal Government, (2) arranging with a local public housing agency for using unoccupied public housing units, or (3) acquiring existing dwellings or mobile homes or other readily fabricated dwellings, by purchase or lease. Notwithstanding any other provision of law, any existing dwellings, mobile homes, or readily fabricated dwellings acquired by purchase may be sold directly to individuals and families who are occupants

of such temporary accommodations at prices that are fair and equitable. Any mobile home or readily fabricated dwelling shall be placed on a site complete with utilities provided by State or local government, or by the owner or occupant of the site who was displaced by the major disaster, without charge to the United States. However, the Director may elect to provide other more economical and accessible sites at Federal expense when he determines such action to be in the public interest.

(b) After the initial ninety days of occupancy without charge, rentals shall be established for such accommodations, under such rules and regulations as the Director may prescribe, taking into account the financial resources of the occupant. In case of financial hardship, rentals may be compromised, adjusted, or waived for a period not to exceed twelve months from the date of occupancy, but in no case shall any such individual or family be required to incur a monthly housing expense (including any fixed expense relating to the amortization of debt owing on a house destroyed or damaged in a major disaster) which is in excess of 25 per centum of the monthly income of the occupant or occupants.

(c) The Director is further authorized to provide assistance on a temporary basis in the form of mortgage or rental payments to or on behalf of individuals and families who, as a result of financial hardship caused by a major disaster, have received written notice of dispossession or eviction from a residence by reason of foreclosure of any mortgage or lien, cancellation of any contract of sale, or termination of any lease, oral or written. Such assistance shall be provided for a period of not to exceed one year or for the duration of the period of financial hardship, whichever is the lesser. The Director shall, for the purposes of this subsection and in furtherance of the purposes of section 240 of this Act, provide reemployment assistance services to individuals who are unemployed as a result of a major disaster.

PART C—RECOVERY ASSISTANCE SMALL BUSINESS DISASTER LOANS

SEC. 231. (a) In the administration of the disaster loan program under section 7(b)(1) of the Small Business Act, as amended (15 U.S.C. 636(b)), in the case of property loss or damage resulting from a major disaster as determined by the President or a disaster as determined by the Administrator, the Small Business Administration—

(1) to the extent such loss or damage is not compensated for by insurance or otherwise, (A) shall, on that part of any loan in excess of \$500, cancel the principal of the loan, except that the total amount so canceled shall not exceed \$2,500, and (B) may defer interest payments or principal payments, or both, in whole or in part, on such loan during the first three years of the term of the loan without regard to the ability of the borrower to make such payments;

(2) may make any loan for the repair, rehabilitation, or replacement of property damaged or destroyed, without regard to whether the required financial assistance is otherwise available from private sources; and

(3) in the case of the total destruction of, or substantial property damage to, a home or business concern, may refinance any mortgage or other liens outstanding against the destroyed or damaged property if such refinancing is for the repair, rehabilitation, or replacement of property damaged or destroyed as a result of such disaster and any such refinancing shall be subject to the provisions of clauses (1) and (2) of this subsection.

(b) Section 7 of the Small Business Act is amended—

(1) by revising paragraph (2) of subsection (b) to read as follows:

"(2) to make such loans (either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis) as the Administration may determine to be necessary or appropriate to any small business concern located in an area affected by a disaster, if the Administration determines that the concern has suffered a substantial economic injury as a result of such disaster;"

(2) by striking from the second sentence of subsection (b) the following: "meeting the requirements of clause (A) or (B) of paragraph (2) of this subsection"; and

(3) by striking from subsection (f) the following: "in the case of property loss or damage as the result of a disaster which is a 'major disaster' as defined in section 2(a) of the Act of September 30, 1950 (42 U.S.C. 1855a(a))".

FARMERS HOME ADMINISTRATION EMERGENCY LOANS

SEC. 232. In the administration of the emergency loan program under subtitle C of the Consolidated Farmers Home Administration Act of 1961, as amended (7 U.S.C. 1961-1967), and the rural housing loan program under section 502 of title V of the Housing Act of 1949, as amended (42 U.S.C. 1472), in the case of loss or damage, resulting from a major disaster, to property, including household furnishings, the Secretary of Agriculture—

(1) to the extent such loss or damage is not compensated for by insurance or otherwise, (A) shall, on that part of any loan in excess of \$500, cancel the principal of the loan, except that the total amount so cancelled shall not exceed \$2,500, and (B) may defer interest payments or principal payments, or both, in whole or in part, on such loan during the first three years of the term of the loan without regard to the ability of the borrower to make such payments;

(2) may grant any loan for the repair, rehabilitation, or replacement of property damaged or destroyed, without regard to whether the required financial assistance is otherwise available from private sources; and

(3) in the case of the total destruction of, or substantial property damage to a home or business concern may refinance any mortgage or other liens outstanding against the destroyed or damaged property if such refinancing is for the repair, rehabilitation, or replacement of property damaged or destroyed as a result of such disaster and any such refinancing shall be subject to the provisions of clauses (1) and (2) of this section.

LOANS HELD BY THE VETERANS' ADMINISTRATION

SEC. 233. (1) Section 1820(a)(2) of title 38, United States Code, is amended to read as follows:

"(2) subject to specific limitations in this chapter, consent to the modification, with respect to rate of interest, time of payment of principal or interest or any portion thereof, security or other provisions of any note, contract, mortgage or other instrument securing a loan which has been guaranteed, insured, made or acquired under this chapter;"

(2) Section 1820(f) of title 38, United States Code, is amended to read as follows:

"(f) Whenever loss, destruction, or damage to any residential property securing loans guaranteed, insured, made, or acquired by the Administrator under this chapter occurs as the result of a major disaster as determined by the President under the Disaster Assistance Act of 1970, the Administrator shall (1) provide counseling and such other service to the owner of such property as may be feasible and shall inform such owner concerning the disaster assistance available from other Federal agencies and from State or local agencies, and (2) pursuant to subsection (a)(2) of this section, extend on an individual case basis such forbearance or in-

dulgence to such owner as the Administrator determines to be warranted by the facts of the case and the circumstances of such owner."

DISASTER LOAN INTEREST RATES

SEC. 234 (a) Any loan made under the authority of sections 231, 232, 236(b), 237, or 241 of this Act shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods of maturity of ten to twelve years less not to exceed 2 per centum per annum.

(b) The next to the last sentence of section 7(b) of the Small Business Act is amended by striking out all that follows "exceed" and inserting in lieu thereof the following: "a rate determined by the Secretary of the Treasury taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining period of maturity of ten to twelve years less not to exceed 2 per centum per annum."

AGE OF APPLICANT FOR LOANS

SEC. 235. In the administration of any Federal disaster loan program under the authority of sections 231, 232, or 233 of this Act, the age of any adult loan applicant shall not be considered in determining whether such loan should be made or the amount of such loan.

FEDERAL LOAN ADJUSTMENTS

SEC. 236. (a) In addition to the loan extension authority provided in section 12 of the Rural Electrification Act, the Secretary of Agriculture is authorized to adjust and readjust the schedules for payment of principal and interest on loans to borrowers under programs administered by the Rural Electrification Administration, and to extend the maturity date of any such loan to a date not beyond forty years from the date of such loan where he determines such action is necessary because of the impairment of the economic feasibility of the system, or the loss, destruction, or damage of the property of such borrowers as a result of a major disaster.

(b) The Secretary of Housing and Urban Development is authorized to refinance any note or other obligation which is held by him in connection with any loan made by the Department of Housing and Urban Development or its predecessor in interest, or which is included within the revolving fund for liquidating programs established by the Independent Offices Appropriation Act of 1955, where he finds such refinancing necessary because of the loss, destruction, or damage (as a result of a major disaster) to property or facilities securing such obligations. The Secretary may authorize a suspension in the payment of principal and interest charges on, and an additional extension in the maturity of, any such loan for a period not to exceed five years if he determines that such action is necessary to avoid severe financial hardship.

AID TO MAJOR SOURCES OF EMPLOYMENT

SEC. 237. (a) The Small Business Administration in the case of a nonagricultural enterprise, and the Farmers Home Administration in the case of an agricultural enterprise, are authorized to provide any industrial, commercial, agricultural, or other enterprise, which has constituted a major source of employment in an area suffering a major disaster and which is no longer in substantial operation as a result of such disaster, a loan in such amount as may be necessary to enable such enterprise to resume operations in order to assist in restoring the economic viability of the disaster area. Loans authorized by this section shall be made without regard to limitations on

the size of loans which may otherwise be imposed by any other provision of law or regulation promulgated pursuant thereto.

(b) Assistance under this section shall be in addition to any other Federal disaster assistance, except that such other assistance may be adjusted or modified to the extent deemed appropriate by the Director under the authority of section 208 of this Act. Any loan made under this section shall be subject to the interest requirements of section 234 of this Act, but the President, if he deems it necessary, may defer payments of principal and interest for a period not to exceed three years after the date of the loan.

FOOD COUPONS AND DISTRIBUTION

SEC. 238. (a) Whenever the President determines that, as a result of a major disaster, low-income households are unable to purchase adequate amounts of nutritious food, he is authorized, under such terms and conditions as he may prescribe, to distribute through the Secretary of Agriculture coupon allotments to such households pursuant to the provisions of the Food Stamp Act of 1964 and to make surplus commodities available pursuant to the provisions of section 203 of this Act.

(b) The President, through the Secretary of Agriculture is authorized to continue to make such coupon allotments and surplus commodities available to such households for so long as he determines necessary, taking into consideration such factors as he deems appropriate, including the consequences of the major disaster on the earning power of the households to which assistance is made available under this section.

(c) Nothing in this section shall be construed as amending or otherwise changing the provisions of the Food Stamp Act of 1964 except as they relate to the availability of food stamps in a major disaster area.

LEGAL SERVICES

SEC. 239. Whenever the Director determines that low-income individuals are unable to secure legal services adequate to meet their needs as a consequence of a major disaster, he shall assure the availability of such legal services as may be needed by these individuals because of conditions created by a major disaster. Whenever feasible, and consistent with the goals of the program authorized by this section, the Director shall assure that the programs are conducted with the advice and assistance of appropriate Federal agencies and State and local bar associations.

UNEMPLOYMENT ASSISTANCE

SEC. 240. The President is authorized to provide to any individual unemployed as a result of major disaster, such assistance as he deems appropriate while such individual is unemployed. Such assistance as the President shall provide shall not exceed the maximum amount and the maximum duration of payment under the unemployment compensation program of the State in which the disaster occurred, and the amount of assistance under this section to any such individual shall be reduced by any amount of unemployment compensation or of private income protection insurance compensation available to such individual for such period of unemployment.

COMMUNITY DISASTER LOAN FUND

SEC. 241. (a) There is established within the Treasury a Community Disaster Loan Fund from which the President may authorize loans to local governments for the purposes of meeting payments of principal and interest on outstanding bonded indebtedness, for providing the local share of any Federal grant-in-aid program which is designed to assist in the restoration of an area damaged by a major disaster, or for providing and maintaining essential public services. Such loans shall be made only if the local government has suffered a loss of either

more than 25 per centum of its tax base or such a substantial amount that it is otherwise unable to meet such payments, local share obligations, or the cost of essential public services.

(b) Loans from the Fund established by this section shall be without interest for the first two years, shall be made for such periods as may be necessary, not to exceed twenty years, and shall bear interest after the first two years at a rate prescribed in section 234. The President may defer initial payments on such a loan for a period not to exceed five years or half the term of the loan, whichever is less. Any loans under this section may be made for a local government's fiscal year in which the disaster occurred and for each of the following two fiscal years. Loans for any year shall not exceed the difference between the average annual property tax revenue received by the local government for the three-year period preceding the major disaster and the local government's accrued property tax revenue for each of the three years following the major disaster. For purposes of computations under this section, the tax rate and tax assessment valuation factors in effect at the time of the disaster shall not be reduced during the three-year period following the disaster.

(c) (1) The President may transfer to the Fund such sums as he may determine to be necessary from the appropriations available to him for disaster relief. All amounts received as interest payments or repayments of principal on loans, and any other moneys, property, or assets derived from operations in connection with this section shall be deposited to the Fund.

(2) All loans, expenses, and payments pursuant to operations under this section shall be paid from the Fund. From time to time, and at least at the close of each fiscal year, there shall be paid from the Fund into the Treasury, as miscellaneous receipts, interest on the average amount of appropriations accumulated as capital to the Fund, less the average undisbursed cash balance in the Fund during the year. The rate of such interest shall not exceed any rate determined under section 234 for loans from the Fund. Interest payments may be deferred with the approval of the Secretary of the Treasury, but any interest payments so deferred shall themselves bear interest. If at any time the President determines that moneys in the Fund exceed the present and any reasonably prospective future requirements of the Fund, such excess may be transferred to the general fund of the Treasury or to the appropriations available to the President for disaster relief.

(d) There are hereby authorized to be appropriated such sums, not to exceed \$100,000,000, as may be necessary to carry out the provisions of this section.

TIMBER SALE CONTRACTS

SEC. 242. (a) Where an existing timber sale contract between the Secretary of Agriculture or the Secretary of the Interior and a timber purchaser does not provide relief from major physical change not due to negligence of the purchaser prior to approval of construction of any section of specified road or of any other specified development facility and, as a result of a major disaster, a major physical change results in additional construction work in connection with such road or facility by such purchaser with an estimated cost, as determined by the appropriate Secretary, (1) of more than \$1,000 for sales under one million board feet, (2) of more than \$1 per thousand board feet for sales of one to three million board feet, or (3) of more than \$3,000 for sales over three million board feet, such increased construction cost shall be borne by the United States.

(b) If the Secretary determines that damages are so great that restoration, reconstruction, or construction is not practical under

the cost-sharing arrangement authorized by subsection (a) of this section, the Secretary may allow cancellation of the contract notwithstanding contrary provisions therein.

(c) The Secretary of Agriculture is authorized to reduce to seven days the minimum period of advance public notice required by the first section of the Act of June 4, 1897 (16 U.S.C. 476), in connection with the sale of timber from national forests, whenever the Secretary determines that (1) the sale of such timber will assist in the construction of any area of a State damaged by a major disaster, (2) the sale of such timber will assist in sustaining the economy of such area, or (3) the sale of such timber is necessary to salvage the value of timber damaged in such major disaster or to protect undamaged timber.

(d) The President, when he determines it to be in the public interest, and acting through the Director of Emergency Preparedness, is authorized to make grants to any State or local government for the purpose of removing from privately owned lands timber damaged as a result of a major disaster, and such State or local government is authorized upon application, to make payments out of such grants to any person for reimbursement of expenses actually incurred by such person in the removal of damaged timber, not to exceed the amount that such expenses exceed the salvage value of such timber.

PUBLIC LAND ENTRYMAN

SEC. 243. The Secretary of the Interior is authorized to give any public land entryman such additional time in which to comply with any requirement of law in connection with any public land entry for lands affected by a major disaster as the Secretary finds appropriate because of interference with the entryman's ability to comply with such requirement as a result of such major disaster.

MINIMUM STANDARDS FOR RESIDENTIAL STRUCTURE RESTORATION

SEC. 244. (a) No loan or grant made by any Federal agency, or by any relief organization operating under the supervision of the Director, for the repair, restoration, reconstruction, or replacement of any residential structure located in a major disaster area shall be made unless such structure will be repaired, restored, reconstructed, or replaced in accordance with such minimum standards of safety, decency, and sanitation as the Secretary of Housing and Urban Development may prescribe by regulation for such purpose, and in conformity with applicable building codes and specifications.

(b) In order to carry out the provisions of this section, the Secretary of Housing and Urban Development is authorized—

(1) to consult with such other officials in the Federal, State, and local governments as he deems necessary, in order that regulations prescribed under this section shall—

(A) carry out the purpose of this section; and

(B) have the necessary flexibility to be consistent with requirements of other building regulations, codes, and program requirements applicable; and

(2) to promulgate such regulations as may be necessary.

PART D—RESTORATION OF PUBLIC FACILITIES, FEDERAL FACILITIES

SEC. 251. The President may authorize any Federal agency to repair, reconstruct, restore, or replace any facility owned by the United States and under the jurisdiction of such agency which is damaged or destroyed by any major disaster if he determines that such repair, reconstruction, restoration, or replacement is of such importance and urgency that it cannot reasonably be deferred pending the enactment of specific authorizing legislation or the making of an appropriation for such purposes. In order to carry

out the provisions of this section, such repair, reconstruction, restoration, or replacement may be begun notwithstanding a lack or an insufficiency of funds appropriated for such purpose, where such lack or insufficiency can be remedied by the transfer, in accordance with law, of funds appropriated for another purpose.

STATE AND LOCAL GOVERNMENT FACILITIES

SEC. 252. (a) The President is authorized to make contributions to State or local governments to repair, restore, reconstruct, or replace public facilities belonging to such State or local governments which were damaged or destroyed by a major disaster, except that the Federal contribution therefor shall not exceed 50 per centum of the net cost of restoring any such facility to its capacity prior to such disaster and in conformity with applicable codes and specifications.

(b) In the case of any such public facilities which were in the process of construction when damaged or destroyed by a major disaster, the Federal contribution shall not exceed 50 per centum of the net costs of restoring such facilities substantially to their prior to such disaster condition and of completing construction not performed prior to the major disaster to the extent the increase of such cost over the original construction cost is attributable to changed conditions resulting from a major disaster.

(c) For the purposes of this section "public facility" includes any flood control, navigation, irrigation, reclamation, public power, sewage treatment and collection, water supply and distribution, watershed development, or airport facility, any non-Federal-aid street, road, or highway, and any other essential public facility.

PRIORITY TO CERTAIN APPLICATIONS FOR PUBLIC FACILITY AND PUBLIC HOUSING ASSISTANCE

SEC. 253. In the processing of applications for assistance, priority and immediate consideration may be given, during such period, not to exceed six months, as the President shall prescribe by proclamation, to applications from public bodies situated in major disaster areas, under the following Acts:

(1) title II of the Housing Amendments of 1955, or any other Act providing assistance for repair, construction, or extension of public facilities;

(2) the United States Housing Act of 1937 for the provision of low-rent housing;

(3) section 702 of the Housing Act of 1954 for assistance in public works planning;

(4) section 702 of the Housing and Urban Development Act of 1965 providing for grants for public facilities; or

(5) section 306 of the Consolidated Farmers Home Administration Act.

RELOCATION ASSISTANCE

SEC. 254. Notwithstanding any other provision of law or regulation promulgated thereunder, no person otherwise eligible for relocation assistance payments authorized under section 114 of the Housing Act of 1949 shall be denied such eligibility as a result of a major disaster as determined by the President.

TITLE III—MISCELLANEOUS

TECHNICAL AMENDMENTS

SEC. 301. (a) Section 701(a)(3)(B)(ii) of the Housing Act of 1954 (40 U.S.C. 461(a)(3)(B)(ii)) is amended to read as follows: "(ii) have suffered substantial damage as a result of a major disaster as determined by the President pursuant to the Disaster Assistance Act of 1970".

(b) Section 8(b)(2) of the National Housing Act (12 U.S.C. 1706c(b)(2)) is amended by striking out of the last proviso "section 2(a) of the Act entitled 'An Act to authorize Federal assistance to States and local governments in major disasters, and

for other purposes' (Public Law 875, Eighty-first Congress, approved September 30, 1950)" and inserting in lieu thereof "section 102(1) of the Disaster Assistance Act of 1970".

(c) Section 203(h) of the National Housing Act (12 U.S.C. 1709(h)) is amended by striking out "section 2(a) of the Act entitled 'An Act to authorize Federal assistance to States and local governments in major disasters and for other purposes' (Public Law 875, Eighty-first Congress, approved September 30, 1950), as amended" and inserting in lieu thereof "section 102(1) of the Disaster Assistance Act of 1970".

(d) Section 221(f) of the National Housing Act (12 U.S.C. 17151(f)) is amended by striking out of the last paragraph "the Act entitled 'An Act to authorize Federal assistance to States and local governments in major disasters, and for other purposes', approved September 30, 1950, as amended (42 U.S.C. 1855-1855g)" and inserting in lieu thereof "the Disaster Assistance Act of 1970".

(e) Section 7(a)(1)(A) of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress, as amended; 20 U.S.C. 241-1(a)(1)(A)), is amended by striking out "pursuant to section 2(a) of the Act of September 30, 1950 (42 U.S.C. 1855(a))" and inserting in lieu thereof "pursuant to section 102(1) of the Disaster Assistance Act of 1970".

(f) Section 16(a) of the Act of September 23, 1950 (79 Stat. 1158; 20 U.S.C. 646(a)) is amended by striking out "section 2(a) of the Act of September 30, 1950 (42 U.S.C. 1855a(a))" and inserting in lieu thereof "section 102(1) of the Disaster Assistance Act of 1970".

(g) Section 408(a) of the Higher Education Facilities Act of 1963 (20 U.S.C. 758(a)) is amended by striking out "section 2(a) of the Act of September 30, 1950 (42 U.S.C. 1855a(a))" and inserting in lieu thereof "section 102(1) of the Disaster Assistance Act of 1970".

(h) Section 165(h)(2) of the Internal Revenue Code of 1954, relating to disaster losses (26 U.S.C. 165(h)(2)) is amended to read as follows:

"(2) occurring in an area subsequently determined by the President of the United States to warrant assistance by the Federal Government under the Disaster Assistance Act of 1970."

(i) Section 506(a) of the Internal Revenue Code of 1954 (26 U.S.C. 506(a)), relating to losses caused by disaster, is amended by striking out "the Act of September 30, 1950 (42 U.S.C. 1855)" and inserting in lieu thereof "the Disaster Assistance Act of 1970".

(j) Section 5708(a) of the Internal Revenue Code of 1954 (26 U.S.C. 5708(a)), relating to losses caused by disaster, is amended by striking out "the Act of September 30, 1950 (42 U.S.C. 1855)" and inserting in lieu thereof "the Disaster Assistance Act of 1970".

(k) Section 3 of the Act of June 30, 1954 (68 Stat. 330; 48 U.S.C. 1681), is amended by striking out of the last sentence "section 2 of the Act of September 30, 1950 (64 Stat. 1109)", as amended (42 U.S.C. 1855a)" and inserting in lieu thereof "section 102(1) of the Disaster Assistance Act of 1970".

(l) Whenever reference is made in any provision of law (other than this Act), regulation, rule, record, or document of the United States to the Act of September 30, 1950 (64 Stat. 1109), or any provision of such Act, such reference shall be deemed to be a reference to the Disaster Assistance Act of 1970 or to the appropriate provision of the Disaster Assistance Act of 1970 unless no such provision is included therein.

REPEAL OF EXISTING LAW

SEC. 302. The following Acts are hereby repealed:

(1) the Act of September 30, 1950 (64 Stat. 1109);

(2) the Disaster Relief Act of 1966, except section 7 (80 Stat. 1316); and

(3) the Disaster Relief Act of 1969 (83 Stat. 125).

AUTHORIZATION OF APPROPRIATIONS

SEC. 303. Except as provided otherwise in this Act, there are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

EFFECTIVE DATE

SEC. 304. This Act shall take effect immediately upon its enactment, except that sections 226(c), 237, 241, 252(a), and 254 shall take effect as of August 1, 1969, and sections 231, 232, and 233 shall take effect as of April 1, 1970.

Mr. BAYH. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. DOLE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The title was amended, so as to read:

A bill to revise and expand Federal programs for relief from the effects of major disasters, and for other purposes.

ORDER FOR PERIOD FOR TRANSACTION OF ROUTINE MORNING BUSINESS TOMORROW

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that tomorrow, following the disposition of the reading of the Journal, there be a period for the transaction of routine morning business with statements therein limited to 3 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR SENATE JOINT RESOLUTION 1 TO BE LAID BEFORE THE SENATE TOMORROW

Mr. BYRD of West Virginia. Mr. President. I ask unanimous consent that tomorrow, at the close of the period for the transaction of routine morning business the unfinished business, Senate Joint Resolution 1 be laid before the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

ELIMINATION OF REDUCTION IN THE ANNUITIES OF EMPLOYEES OR MEMBERS WHO ELECTED REDUCED ANNUITIES

Mr. BYRD of West Virginia. Mr. President, at this time, merely for making it the pending business for tomorrow evening, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1103, S. 437, with the understanding there not be any action thereon this evening.

The PRESIDING OFFICER. Without objection, it is so ordered. The bill will be stated by title.

The ASSISTANT LEGISLATIVE CLERK. A bill (S. 437) to amend chapter 83, title 5, United States Code, to eliminate the reduction in the annuities of employees or Members who elected reduced annuities in order to provide a survivor annuity

if predeceased by the person named as survivor and permit a retired employee or Member to designate a new spouse as survivor if predeceased by the person named as survivor at the time of retirement.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia?

There being no objection, the Senate proceeded to consider the bill.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that not later than 5 p.m. tomorrow the business which will be laid before the Senate at the close of the period for the transaction of routine morning business tomorrow be laid aside and at not later than 5 p.m. the Senate proceed to the consideration of Calendar No. 1103, S. 437.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADJOURNMENT TO 10 A.M. TOMORROW

Mr. BYRD of West Virginia. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 10 a.m. tomorrow.

The motion was agreed to; and (at 8 o'clock and 22 minutes p.m.) the Senate adjourned until tomorrow, Thursday, September 10, 1970, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate September 3, 1970, under authority of the order of the Senate of September 1, 1970:

U.S. CIRCUIT COURT

Max Rosenn, of Pennsylvania, to be a U.S. circuit judge for the third circuit vice David Stahl, deceased.

U.S. DISTRICT COURTS

Cornelia G. Kennedy, of Michigan, to be U.S. district judge for the eastern district of Michigan, vice Thaddeus M. Machrowicz, deceased.

Edwin L. Mechem, of New Mexico, to be a U.S. district judge for the district of New Mexico vice a new position created under Public Law 91-272 approved June 2, 1970.

DEPARTMENT OF JUSTICE

Irving W. Humphreys, of West Virginia, to be U.S. marshal for the southern district of West Virginia for the term of 4 years, vice Cornelius J. McQuade, retired.

BOARD OF PAROLE

Paula A. Tenant, of California, to be a member of the Board of Parole for the term expiring September 30, 1976, vice Charlotte P. Reese, term expiring.

Executive nominations received by the Senate September 9, 1970:

DEPARTMENT OF DEFENSE

Richard J. Borda, of California, to be an Assistant Secretary of the Air Force.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Wilmot R. Hastings, of Massachusetts, to be General Counsel of the Department of Health, Education, and Welfare, vice Robert C. Mardian.

91ST CONGRESS
2D SESSION

S. 3619

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 10, 1970

Referred to the Committee on Public Works

AN ACT

To revise and expand Federal programs for relief from the effects
of major disasters, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That this Act may be cited as the “Disaster Assistance Act
4 of 1970”.

5 TITLE I—FINDINGS AND DECLARATIONS;

6 DEFINITIONS

7 FINDINGS AND DECLARATIONS

8 SEC. 101. (a) The Congress hereby finds and declares
9 that—

10 (1) because loss of life, human suffering, loss of in-
11 come, and property loss and damage result from major

1 disasters such as hurricanes, tornadoes, storms, floods,
2 high waters, wind-driven waters, tidal waves, earth-
3 quakes, droughts, fires, and other catastrophes; and

8 special measures, designed to expedite the rendering of aid,
9 assistance, and emergency welfare services, and the recon-
10 struction and rehabilitation of devastated areas, are neces-
11 sary.

12 (b) It is the intent of the Congress, by this Act, to
13 provide an orderly and continuing means of alleviating the
14 suffering and damage which result from such disasters by—

15 (1) revising and broadening the scope of existing
16 major disaster relief programs;

(3) achieving greater coordination and responsiveness of Federal major disaster relief programs.

DEFINITIONS

23 SEC. 102. As used in this Act—

1 wave, earthquake, drought, fire, or other catastrophe in
2 any part of the United States, which in the determina-
3 tion of the President, is or threatens to be of sufficient
4 severity and magnitude to warrant disaster assistance by
5 the Federal Government to supplement the efforts and
6 available resources of States, local governments, and
7 relief organizations in alleviating the damage, loss, hard-
8 ship, or suffering caused thereby, and with respect to
9 which the Governor of any State in which such catas-
10 trophe occurs or threatens to occur certifies the need for
11 disaster assistance under this Act and gives assurance
12 of the expenditure of a reasonable amount of the funds
13 of such State, its local governments, or other agencies
14 for alleviating the damage, loss, hardship or suffering
15 resulting from such catastrophe;

16 (2) "United States" means the fifty States, the
17 District of Columbia, Puerto Rico, the Virgin Islands,
18 Guam, American Samoa, and the Trust Territory of the
19 Pacific Islands;

20 (3) "State" means any State of the United States,
21 the District of Columbia, Puerto Rico, the Virgin Is-
22 lands, Guam, American Samoa, or the Trust Territory
23 of the Pacific Islands;

24 (4) "Governor" means the chief executive of any
25 State;

1 (5) "local government" means any county, city,
2 village, town, district, or other political subdivision of
3 any State, and includes any rural community or unin-
4 corporated town or village for which an application for
5 assistance is made by a State or political subdivision
6 thereof;

7 (6) "Federal agency" means any department, in-
8 dependent establishment, Federal corporation, or other
9 agency of the executive branch of the Federal Govern-
10 ment, except the American National Red Cross; and

11 (7) "Director" means the Director of the Office of
12 Emergency Preparedness.

13 TITLE II—THE ADMINISTRATION OF DISASTER 14 ASSISTANCE

15 PART A—GENERAL PROVISIONS

16 FEDERAL COORDINATING OFFICER

17 SEC. 201. (a) The President shall appoint, immediately
18 upon his designation of a major disaster area, a Federal
19 coordinating officer to operate under the Office of Emergency
20 Preparedness in such area.

(b) In order to effectuate the purposes of this Act, the coordinating officer, within the designated area, shall

23 (1) make an initial appraisal of the types of relief
24 most urgently needed;

1 (2) establish such field offices as he deems necessary
2 and as are authorized by the Director;

3 (3) coordinate the administration of relief, includ-
4 ing activities of the American National Red Cross and
5 of other relief organizations which agree to operate
6 under his advice or direction; and

7 (4) take such other action, consistent with authority
8 delegated to him by the Director, and consistent with
9 the provisions of this Act, as he may deem necessary to
10 assist local citizens and public officials in promptly ob-
11 taining assistance to which they are entitled.

12 EMERGENCY SUPPORT TEAMS

13 SEC. 202. The Director is authorized to form emergency
14 support teams of personnel to be deployed in a major disaster
15 area. Such emergency support teams shall assist the Federal
16 coordinating officer in carrying out his responsibilities pursu-
17 ant to section 201 (b) of this Act.

18 COOPERATION OF FEDERAL AGENCIES

19 SEC. 203. (a) In any major disaster, Federal agencies
20 are hereby authorized, on direction of the President, to pro-
21 vide assistance by—

22 (1) utilizing or lending, with or without compen-
23 sation therefor, to States and local governments, their
24 equipment, supplies, facilities, personnel, and other re-

1 sources, other than the extension of credit under the
2 authority of any Act;

3 (2) distributing or rendering, through the Ameri-
4 can National Red Cross, other relief and disaster assist-
5 ance organizations, or otherwise, medicine, food, and
6 other consumable supplies, or emergency assistance;

7 (3) donating or lending equipment and supplies
8 determined in accordance with applicable laws to be
9 surplus to the needs and responsibilities of the Federal
10 Government; and

11 (4) performing on public or private lands or waters
12 any emergency work essential for the protection and
13 preservation of life and property, including—

14 (A) clearing and removing debris and wreck-
15 age;

16 (B) making repairs to, or restoring to service,
17 public facilities, belonging to State or local govern-
18 ments, which were damaged or destroyed by a major
19 disaster except that the Federal contribution therefor
20 shall not exceed the net cost of restoring such facili-
21 ties to their capacity prior to such disaster;

22 (C) providing emergency shelter for individ-
23 uals and families who, as a result of a major dis-
24 aster, require such assistance; and

25 (D) making contributions to State or local

1 governments for the purpose of carrying out the
2 provisions of paragraph (4).

3 (b) Emergency work performed under subsection (a)
4 (4) of this section shall not preclude Federal assistance
5 under any other section of this Act.

6 (c) Federal agencies may be reimbursed for expendi-
7 tures under section 203 (a) from funds appropriated for the
8 purposes of this Act. Any funds received by Federal agen-
9 cies as reimbursement for services or supplies furnished under
10 the authority of this section shall be deposited to the credit
11 of the appropriation or appropriations currently available
12 for such services or supplies.

13 (d) The Federal Government shall not be liable for
14 any claim based upon the exercise or performance or the
15 failure to exercise or perform a discretionary function or duty
16 on the part of a Federal agency or an employee of the
17 Federal Government in carrying out the provisions of this
18 section.

19 (e) Any Federal agency designated by the President
20 to exercise authority under this Act may establish such
21 special groups, interdepartmental or otherwise, as it deems
22 appropriate to assist in carrying out the provisions of law
23 relating to Federal disaster preparedness and assistance, and
24 the funds of any such agency may be utilized for the neces-
25 sary expenses of any group so established.

1 (f) In carrying out the purposes of this Act, any Fed-
2 eral agency is authorized to accept and utilize the services or
3 facilities of any State or local government, or of any agency,
4 office, or employee thereof, with the consent of such govern-
5 ment. Any Federal agency, in performing any activities
6 under this section, is authorized to appoint and fix the com-
7 pensation of such temporary personnel as may be necessary,
8 without regard to the provisions of title 5, United States
9 Code, governing appointments in the competitive service,
10 and without regard to the provisions of chapter 51 and sub-
11 chapter III of such title relating to classification and General
12 Schedule pay rates, to employ experts and consultants in
13 accordance with the provisions of section 3109 of such title,
14 and to incur obligations on behalf of the United States by
15 contract or otherwise for the acquisition, rental, or hire of
16 equipment, services, materials, and supplies for shipping,
17 drayage, travel, and communication, and for the supervision
18 and administration of such activities. Such obligations, in-
19 cluding obligations arising out of the temporary employment
20 of additional personnel, may be incurred by an agency in
21 such amount as may be made available to it by the President.

22 (g) In the interest of providing maximum mobilization
23 of Federal assistance under this Act, the President is au-
24 thorized to coordinate in such manner as he may determine

1 the activities of Federal agencies in providing disaster assist-
2 ance. The President may direct any Federal agency to utilize
3 its available personnel, equipment, supplies, facilities, and
4 other resources in accordance with the authority herein con-
5 tained. The President may prescribe such rules and regula-
6 tions as may be necessary and proper to carry out any of the
7 provisions of this Act, and he may exercise any power or
8 authority conferred on him by any section of this Act either
9 directly or through such Federal agency as he may designate.

10 (h) The President, acting through the Office of Emer-
11 gency Preparedness, shall conduct periodic reviews (at least
12 annually) of the activities of Federal and State departments
13 or agencies providing disaster assistance, in order to assure
14 maximum coordination of such programs, and to evaluate
15 progress being made in the development of Federal, State,
16 and local preparedness to cope with major disasters.

17 USE OF LOCAL FIRMS AND INDIVIDUALS

18 SEC. 204. In the expenditure of Federal funds for debris
19 clearance, distribution of supplies, reconstruction, and other
20 major disaster assistance activities which may be carried out
21 by contract with private organizations, firms, or individuals,
22 preference shall be given, to the extent feasible and practica-
23 ble, to those organizations, firms, and individuals who reside
24 or do business primarily in the disaster area.

1 FEDERAL GRANT-IN-AID PROGRAMS

2 SEC. 205. Any Federal agency charged with the admin-
3 istration of a Federal grant-in-aid program is authorized, if
4 so requested by the applicant State or local authorities, to
5 modify or waive, for the duration of a major disaster procla-
6 mation, such conditions for assistance as would otherwise pre-
7 vent the giving of assistance under such programs if the
8 inability to meet such conditions is a result of the disaster.

9 STATE DISASTER PLANS

10 SEC. 206. (a) The President is authorized to provide
11 assistance to the States in developing comprehensive plans
12 and practicable programs for preparation against major dis-
13 asters, and for relief and assistance for individuals, busi-
14 nesses, and local governments following such disasters. Such
15 plans should include long-range recovery and reconstruction
16 assistance plans for seriously damaged or destroyed public
17 and private facilities.

18 (b) The President is authorized to make grants of not
19 more than \$250,000 to any State, upon application therefor,
20 for not to exceed 50 per centum of the cost of developing such
21 plans and programs.

22 (c) Any State desiring assistance under this section
23 shall designate or create an agency which is specially qual-
24 fied to plan and administer such a disaster relief program,

1 and shall, through such agency, submit a State plan to the
2 President, which shall—

3 (1) set forth a comprehensive and detailed State
4 program for preparation against, and relief following, a
5 major disaster, including provisions for emergency and
6 long-term assistance to individuals, businesses, and local
7 governments; and

8 (2) include provision for the appointment of a State
9 coordinating officer to act in cooperation with the Fed-
10 eral coordinating officer appointed under section 201 of
11 this Act.

12 (d) From time to time the Director shall make a report
13 to the President, for submission to the Congress, containing
14 his recommendations for programs for the Federal role
15 in the implementation and funding of comprehensive disaster
16 relief plans, and such other recommendations relating to
17 the Federal role in disaster relief activities as he deems
18 warranted.

19 (e) The President is authorized to make grants not to
20 exceed \$25,000 per annum to any State in an amount not to
21 exceed 50 per centum of the cost for the purpose of im-
22 proving, maintaining, and updating that State's disaster
23 assistance plans.

1 USE AND COORDINATION OF RELIEF ORGANIZATIONS

2 SEC. 207. (a) In providing relief and assistance fol-
3 lowing a major disaster, the Director may utilize, with their
4 consent, the personnel and facilities of the American National
5 Red Cross, the Salvation Army, the Mennonite Board of Mis-
6 sions and Charities, and other relief or disaster assistance
7 organizations, in the distribution of medicine, food, supplies,
8 or other items, and in the restoration, rehabilitation, or re-
9 construction of community services and essential facilities,
10 whenever the Director finds that such utilization is necessary.

11 (b) The Director is authorized to enter into agreements
12 with the American National Red Cross and other relief
13 or disaster assistance organizations under which the disaster
14 relief activities of such organizations may be coordinated
15 by the Federal coordinating officer whenever such organiza-
16 tions are engaged in providing relief during and after a
17 major disaster. Any such agreement shall include provisions
18 conditioning use of the facilities of the Office of Emergency
19 Preparedness and the services of the coordinating officer upon
20 compliance with regulations promulgated by the Director un-
21 der sections 208 and 209 of this Act, and such other regula-
22 tions as the Director may require.

23 DUPLICATION OF BENEFITS

24 SEC. 208. (a) The Director, in consultation with the
25 head of each Federal agency administering any program pro-

1 viding financial assistance to persons, business concerns, or
2 other entities suffering losses as the result of a major disaster,
3 shall assure that no such person, business concern, or other
4 entity will receive such assistance with respect to any part
5 of such loss as to which he has received financial assistance
6 under any other program.

7 (b) The Director shall assure that no person, business
8 concern, or other entity receives any Federal assistance for
9 any part of a loss suffered as the result of a major disaster if
10 such person, concern, or entity received compensation from
11 insurance or any other source for that part of such a loss.

12 Partial compensation for a loss or a part of a loss resulting
13 from a major disaster shall not preclude additional Federal
14 assistance for any part of such a loss not compensated
15 otherwise.

16 (c) Whenever the Director determines (1) that a per-
17 son, business concern, or other entity has received assist-
18 ance under this Act for a loss and that such person, busi-
19 ness concern or other entity received assistance for the same
20 loss from another source, and (2) that the amount received
21 from all sources exceeded the amount of the loss, he shall
22 direct such person, business concern, or other entity to pay
23 to the Treasury an amount, not to exceed the amount of
24 Federal assistance received, sufficient to reimburse the Fed-

1 eral Government for that part of the assistance which he
2 deems excessive.

3 NONDISCRIMINATION IN DISASTER ASSISTANCE

4 SEC. 209. (a) The Director shall issue, and may alter
5 and amend, such regulations as may be necessary for the
6 guidance of personnel carrying out emergency relief func-
7 tions at the site of a major disaster. Such regulations shall
8 include provisions for insuring that the distribution of sup-
9 plies, the processing of applications, and other relief and
10 assistance activities shall be accomplished in an equitable and
11 impartial manner, without discrimination on the grounds of
12 race, color, religion, nationality, sex, age, or economic status
13 prior to a major disaster.

14 (b) As a condition of participation in the distribution
15 of assistance or supplies under section 207, relief organiza-
16 tions shall be required to comply with regulations relating
17 to nondiscrimination promulgated by the Director, and such
18 other regulations applicable to activities within a major dis-
19 aster area as he deems necessary for the effective coordina-
20 tion of relief efforts.

21 ADVISORY PERSONNEL

22 SEC. 210. The Director is authorized to assign advisory
23 personnel to the chief executive officer of any State or local
24 government within a major disaster area, upon request by
25 such officer, whenever the Director determines that such

1 assignment is desirable in order to insure full utilization of
2 relief and assistance resources and programs.

3 DISASTER WARNINGS

4 SEC. 211. The President is authorized to utilize or to
5 make available to Federal, State, and local agencies the facil-
6 ities of the civil defense communications system established
7 and maintained pursuant to section 201 (c) of the Federal
8 Civil Defense Act of 1950, as amended (50 U.S.C. app.
9 2281 (c)), for the purpose of providing needed warning to
10 governmental authorities and the civilian population in areas
11 endangered by imminent major disasters.

12 PART B—EMERGENCY RELIEF

13 PREDISASTER ASSISTANCE

14 SEC. 221. To avert or lessen the effects of a major dis-
15 aster, the President is authorized, without declaring a major
16 disaster, to utilize Federal resources in providing disaster
17 assistance to any State to assist such State or any local gov-
18 ernment thereof in circumstances which clearly indicate the
19 imminent occurrence of a major disaster.

20 EMERGENCY COMMUNICATIONS

21 SEC. 222. The Director is authorized to establish emer-
22 gency communications in any major disaster area in order
23 to carry out the functions of his office, and to make such
24 communications available to State and local government
25 officials and other persons as he deems appropriate.

1 EMERGENCY PUBLIC TRANSPORTATION

2 SEC. 223. The Director is authorized to provide public
3 transportation service to meet emergency needs in a major
4 disaster area. Such service will provide transportation to
5 governmental offices, supply centers, stores, post offices,
6 schools, major employment centers, and such other places as
7 may be necessary in order to enable the community to resume
8 its normal pattern of life as soon as possible.

9 DEBRIS REMOVAL GRANTS

10 SEC. 224. The President, whenever he determines it to
11 be in the public interest, is authorized to make grants to any
12 State or local government for the purpose of removing debris
13 on privately owned lands or waters as a result of a major
14 disaster, and is authorized to make payments through such
15 State or local government for the removal of debris from
16 community areas which may include the private property of
17 an individual. No benefit will be available under this sec-
18 tion unless such State or local government arranges un-
19 conditional authorization for removal of debris from such
20 property and agrees to indemnify the Federal Government
21 against any claims arising from such debris removal.

22 FIRE SUPPRESSION GRANTS

23 SEC. 225. The President is authorized to provide assist-
24 ance, including grants, to any State for the suppression of
25 any fire on publicly or privately owned forest or grassland

1 which threatens such destruction as would constitute a major
2 disaster.

3 TEMPORARY HOUSING ASSISTANCE

4 SEC. 226. (a) The Director is authorized to provide on
5 a temporary basis, as prescribed in this section, dwelling
6 accommodations for individuals and families who, as a result
7 of a major disaster, are in need of assistance by (1) using
8 any unoccupied housing owned by the United States under
9 any program of the Federal Government, (2) arranging
10 with a local public housing agency for using unoccupied pub-
11 lic housing units, or (3) acquiring existing dwellings or
12 mobile homes or other readily fabricated dwellings, by pur-
13 chase or lease. Notwithstanding any other provision of law,
14 any existing dwellings, mobile homes, or readily fabricated
15 dwellings acquired by purchase may be sold directly to in-
16 dividuals and families who are occupants of such temporary
17 accommodations at prices that are fair and equitable. Any
18 mobile home or readily fabricated dwelling shall be placed
19 on a site complete with utilities provided by State or local
20 government, or by the owner or occupant of the site who was
21 displaced by the major disaster, without charge to the United
22 States. However, the Director may elect to provide other
23 more economical and accessible sites at Federal expense
24 when he determines such action to be in the public interest.

1 (b) After the initial ninety days of occupancy without
2 charge, rentals shall be established for such accommodations,
3 under such rules and regulations as the Director may pre-
4 scribe, taking into account the financial resources of the oc-
5 cupant. In case of financial hardship, rentals may be com-
6 promised, adjusted, or waived for a period not to exceed
7 twelve months from the date of occupancy, but in no case
8 shall any such individual or family be required to incur a
9 monthly housing expense (including any fixed expense relat-
10 ing to the amortization of debt owing on a house destroyed
11 or damaged in a major disaster) which is in excess of 25 per
12 centum of the monthly income of the occupant or occupants.

13 (c) The Director is further authorized to provide assist-
14 ance on a temporary basis in the form of mortgage or rental
15 payments to or on behalf of individuals and families who, as
16 a result of financial hardship caused by a major disaster,
17 have received written notice of dispossession or eviction from
18 a residence by reason of foreclosure of any mortgage or lien,
19 cancellation of any contract of sale, or termination of any
20 lease, oral or written. Such assistance shall be provided for a
21 period of not to exceed one year or for the duration of the
22 period of financial hardship, whichever is the lesser. The Di-
23 rector shall, for the purposes of this subsection and in further-
24 ance of the purposes of section 240 of this Act, provide re-

1 employment assistance services to individuals who are unem-
2 ployed as a result of a major disaster.

3 **PART C—RECOVERY ASSISTANCE**

4 **SMALL BUSINESS DISASTER LOANS**

5 SEC. 231. (a) In the administration of the disaster loan
6 program under section 7(b)(1) of the Small Business Act,
7 as amended (15 U.S.C. 636(b)), in the case of property
8 loss or damage resulting from a major disaster as determined
9 by the President or a disaster as determined by the Adminis-
10 trator, the Small Business Administration—

11 (1) to the extent such loss or damage is not com-
12 pensated for by insurance or otherwise, (A) shall, on
13 that part of any loan in excess of \$500, cancel the
14 principal of the loan, except that the total amount so
15 canceled shall not exceed \$2,500, and (B) may defer in-
16 terest payments or principal payments, or both, in whole
17 or in part, on such loan during the first three years of
18 the term of the loan without regard to the ability of the
19 borrower to make such payments;

20 (2) may make any loan for the repair, rehabilita-
21 tion, or replacement of property damaged or destroyed,
22 without regard to whether the required financial assist-
23 ance is otherwise available from private sources; and

24 (3) in the case of the total destruction of, or sub-

1 stantial property damage to, a home or business con-
2 cern, may refinance any mortgage or other liens outstand-
3 ing against the destroyed or damaged property if such
4 refinancing is for the repair, rehabilitation, or replace-
5 ment of property damaged or destroyed as a result of
6 such disaster and any such refinancing shall be subject
7 to the provisions of clauses (1) and (2) of this sub-
8 section.

9 (b) Section 7 of the Small Business Act is amended—
10 (1) by revising paragraph (2) of subsection (b)
11 to read as follows:

12 “(2) to make such loans (either directly or
13 in cooperation with banks or other lending institu-
14 tions through agreements to participate on an im-
15 mediate or deferred basis) as the Administration
16 may determine to be necessary or appropriate to
17 any small business concern located in an area af-
18 fected by a disaster, if the Administration deter-
19 mines that the concern has suffered a substantial
20 economic injury as a result of such disaster;”;

21 (2) by striking from the second sentence of sub-
22 section (b) the following: “meeting the requirements of
23 clause (A) or (B) of paragraph (2) of this subsec-
24 tion;” and

25 (3) by striking from subsection (f) the following:

1 “in the case of property loss or damage as the result of
2 a disaster which is a ‘major disaster’ as defined in section
3 2 (a) of the Act of September 30, 1950 (42 U.S.C.
4 1855a (a)),”.

5 FARMERS HOME ADMINISTRATION EMERGENCY LOANS

6 SEC. 232. In the administration of the emergency loan
7 program under subtitle C of the Consolidated Farmers Home
8 Administration Act of 1961, as amended (7 U.S.C. 1961-
9 1967), and the rural housing loan program under section
10 502 of title V of the Housing Act of 1949, as amended (42
11 U.S.C. 1472), in the case of loss or damage, resulting from
12 a major disaster, to property, including household furnish-
13 ings, the Secretary of Agriculture—

14 (1) to the extent such loss or damage is not com-
15 pensated for by insurance or otherwise, (A) shall, on
16 that part of any loan in excess of \$500, cancel the prin-
17 cipal of the loan, except that the total amount so can-
18 celled shall not exceed \$2,500, and (B) may defer
19 interest payments or principal payments, or both, in
20 whole or in part, on such loan during the first three
21 years of the term of the loan without regard to the ability
22 of the borrower to make such payments;

23 (2) may grant any loan for the repair, rehabilita-
24 tion, or replacement of property damaged or destroyed,

1 without regard to whether the required financial assistance
2 is otherwise available from private sources; and

3 (3) in the case of the total destruction of, or
4 substantial property damage to a home or business con-
5 cern may refinance any mortgage or other liens outstand-
6 ing against the destroyed or damaged property if such
7 refinancing is for the repair, rehabilitation, or replace-
8 ment of property damaged or destroyed as a result of
9 such disaster and any such refinancing shall be subject
10 to the provisions of clauses (1) and (2) of this section.

11 LOANS HELD BY THE VETERANS' ADMINISTRATION

12 SEC. 233. (1) Section 1820 (a) (2) of title 38, United
13 States Code, is amended to read as follows:

14 “(2) subject to specific limitations in this chapter,
15 consent to the modification, with respect to rate of in-
16 terest, time of payment of principal or interest or any
17 portion thereof, security or other provisions of any note,
18 contract, mortgage or other instrument securing a loan
19 which has been guaranteed, insured, made or acquired
20 under this chapter;”

21 (2) Section 1820 (f) of title 38, United States Code, is
22 amended to read as follows:

23 “(f) Whenever loss, destruction, or damage to any
24 residential property securing loans guaranteed, insured, made,
25 or acquired by the Administrator under this chapter occurs

1 as the result of a major disaster as determined by the Presi-
2 dent under the Disaster Assistance Act of 1970, the Admin-
3 istrator shall (1) provide counseling and such other service
4 to the owner of such property as may be feasible and shall
5 inform such owner concerning the disaster assistance avail-
6 able from other Federal agencies and from State or local
7 agencies, and (2) pursuant to subsection (a) (2) of this
8 section, extend on an individual case basis such forbearance
9 or indulgence to such owner as the Administrator determines
10 to be warranted by the facts of the case and the circum-
11 stances of such owner.”

12 DISASTER LOAN INTEREST RATES

13 SEC. 234. (a) Any loan made under the authority of
14 sections 231, 232, 236(b), 237, or 241 of this Act shall
15 bear interest at a rate determined by the Secretary of the
16 Treasury, taking into consideration the current average
17 market yield on outstanding marketable obligations of the
18 United States with remaining periods of maturity of ten to
19 twelve years less not to exceed 2 per centum per annum.

20 (b) The next to the last sentence of section 7 (b) of the
21 Small Business Act is amended by striking out all that fol-
22 lows “exceed” and inserting in lieu thereof the following:
23 “a rate determined by the Secretary of the Treasury taking
24 into consideration the current average market yield on out-
25 standing marketable obligations of the United States with

1 remaining periods of maturity of ten to twelve years less not
2 to exceed 2 per centum per annum."

3 AGE OF APPLICANT FOR LOANS

4 SEC. 235. In the administration of any Federal disaster
5 loan program under the authority of sections 231, 232, or
6 233 of this Act, the age of any adult loan applicant shall
7 not be considered in determining whether such loan should
8 be made or the amount of such loan.

9 FEDERAL LOAN ADJUSTMENTS

10 SEC. 236. (a) In addition to the loan extension au-
11 thority provided in section 12 of the Rural Electrification
12 Act, the Secretary of Agriculture is authorized to adjust and
13 readjust the schedules for payment of principal and interest
14 on loans to borrowers under programs administered by the
15 Rural Electrification Administration, and to extend the
16 maturity date of any such loan to a date not beyond forty
17 years from the date of such loan where he determines such
18 action is necessary because of the impairment of the eco-
19 nomic feasibility of the system, or the loss, destruction, or
20 damage of the property of such borrowers as a result of a
21 major disaster.

22 (b) The Secretary of Housing and Urban Development
23 is authorized to refinance any note or other obligation which
24 is held by him in connection with any loan made by the
25 Department of Housing and Urban Development or its

1 predecessor in interest, or which is included within the re-
2 volving fund for liquidating programs established by the
3 Independent Offices Appropriation Act of 1955, where he
4 finds such refinancing necessary because of the loss, destruc-
5 tion, or damage (as a result of a major disaster) to property
6 or facilities securing such obligations. The Secretary may
7 authorize a suspension in the payment of principal and
8 interest charges on, and an additional extension in the
9 maturity of, any such loan for a period not to exceed five
10 years if he determines that such action is necessary to avoid
11 severe financial hardship.

12 AID TO MAJOR SOURCES OF EMPLOYMENT

13 SEC. 237. (a) The Small Business Administration in
14 the case of a nonagricultural enterprise, and the Farmers
15 Home Administration in the case of an agricultural enter-
16 prise, are authorized to provide any industrial, commercial,
17 agricultural, or other enterprise, which has constituted a
18 major source of employment in an area suffering a major
19 disaster and which is no longer in substantial operation as
20 a result of such disaster, a loan in such amount as may be
21 necessary to enable such enterprise to resume operations
22 in order to assist in restoring the economic viability of the
23 disaster area. Loans authorized by this section shall be made
24 without regard to limitations on the size of loans which

1 may otherwise be imposed by any other provision of law
2 or regulation promulgated pursuant thereto.

3 (b) Assistance under this section shall be in addition
4 to any other Federal disaster assistance, except that such
5 other assistance may be adjusted or modified to the extent
6 deemed appropriate by the Director under the authority of
7 section 208 of this Act. Any loan made under this section
8 shall be subject to the interest requirements of section 234
9 of this Act, but the President, if he deems it necessary, may
10 defer payments of principal and interest for a period not to
11 exceed three years after the date of the loan.

12 FOOD COUPONS AND DISTRIBUTION

13 SEC. 238. (a) Whenever the President determines
14 that, as a result of a major disaster, low-income households
15 are unable to purchase adequate amounts of nutritious food,
16 he is authorized, under such terms and conditions as he may
17 prescribe, to distribute through the Secretary of Agriculture
18 coupon allotments to such households pursuant to the pro-
19 visions of the Food Stamp Act of 1964 and to make surplus
20 commodities available pursuant to the provisions of section
21 203 of this Act.

22 (b) The President, through the Secretary of Agricul-
23 ture is authorized to continue to make such coupon allotments
24 and surplus commodities available to such households for so
25 long as he determines necessary, taking into consideration

1 such factors as he deems appropriate, including the conse-
2 quences of the major disaster on the earning power of the
3 households to which assistance is made available under this
4 section.

5 (c) Nothing in this section shall be construed as
6 amending or otherwise changing the provisions of the Food
7 Stamp Act of 1964 except as they relate to the availability
8 of food stamps in a major disaster area.

LEGAL SERVICES

10 SEC. 239. Whenever the Director determines that low-
11 income individuals are unable to secure legal services ade-
12 quate to meet their needs as a consequence of a major dis-
13 aster, he shall assure the availability of such legal services
14 as may be needed by these individuals because of conditions
15 created by a major disaster. Whenever feasible, and con-
16 sistent with the goals of the program authorized by this
17 section, the Director shall assure that the programs are
18 conducted with the advice and assistance of appropriate
19 Federal agencies and State and local bar associations.

UNEMPLOYMENT ASSISTANCE

21 SEC. 240. The President is authorized to provide to any
22 individual unemployed as a result of a major disaster, such
23 assistance as he deems appropriate while such individual is
24 unemployed. Such assistance as the President shall provide
25 shall not exceed the maximum amount and the maximum

1 duration of payment under the unemployment compensation
2 program of the State in which the disaster occurred, and the
3 amount of assistance under this section to any such individual
4 shall be reduced by any amount of unemployment compen-
5 sation or of private income protection insurance compensa-
6 tion available to such individual for such period of unemployment.

7 COMMUNITY DISASTER LOAN FUND

8 SEC. 241. (a) There is established within the Treasury
9 a Community Disaster Loan Fund from which the President
10 may authorize loans to local governments for the purposes of
11 meeting payments of principal and interest on outstanding
12 bonded indebtedness, for providing the local share of any
13 Federal grant-in-aid program which is designed to assist in
14 the restoration of an area damaged by a major disaster, or
15 for providing and maintaining essential public services. Such
16 loans shall be made only if the local government has suffered
17 a loss of either more than 25 per centum of its tax base or
18 such a substantial amount that it is otherwise unable to meet
19 such payments, local share obligations, or the cost of essential
20 public services.

21 (b) Loans from the Fund established by this section
22 shall be without interest for the first two years, shall be made
23 for such periods as may be necessary, not to exceed twenty
24 years, and shall bear interest after the first two years at a rate
25 prescribed in section 234. The President may defer initial

1 payments on such a loan for a period not to exceed five years
2 or half the term of the loan, whichever is less. Any loans
3 under this section may be made for a local government's
4 fiscal year in which the disaster occurred and for each of
5 the following two fiscal years. Loans for any year shall not
6 exceed the difference between the average annual property
7 tax revenue received by the local government for the three-
8 year period preceding the major disaster and the local gov-
9 ernment's accrued property tax revenue for each of the three
10 years following the major disaster. For purposes of compu-
11 tations under this section, the tax rate and tax assessment
12 valuation factors in effect at the time of the disaster shall
13 not be reduced during the three-year period following the
14 disaster.

15 (c) (1) The President may transfer to the Fund such
16 sums as he may determine to be necessary from the appro-
17 priations available to him for disaster relief. All amounts
18 received as interest payments or repayments of principal
19 on loans, and any other moneys, property, or assets derived
20 from operations in connection with this section shall be
21 deposited to the Fund.

22 (2) All loans, expenses, and payments pursuant to
23 operations under this section shall be paid from the Fund.
24 From time to time, and at least at the close of each fiscal
25 year, there shall be paid from the Fund into the Treasury,

1 as miscellaneous receipts, interest on the average amount
2 of appropriations accumulated as capital to the Fund, less
3 the average undisbursed cash balance in the Fund during
4 the year. The rate of such interest shall not exceed any
5 rate determined under section 234 for loans from the Fund.
6 Interest payments may be deferred with the approval of the
7 Secretary of the Treasury, but any interest payments so de-
8 ferred shall themselves bear interest. If at any time the Pres-
9 ident determines that moneys in the Fund exceed the present
10 and any reasonably prospective future requirements of the
11 Fund, such excess may be transferred to the general fund of
12 the Treasury or to the appropriations available to the Pres-
13 ident for disaster relief.

14 (d) There are hereby authorized to be appropriated
15 such sums, not to exceed \$100,000,000, as may be neces-
16 sary to carry out the provisions of this section.

17 TIMBER SALE CONTRACTS

18 SEC. 242. (a) Where an existing timber sale contract
19 between the Secretary of Agriculture or the Secretary of
20 the Interior and a timber purchaser does not provide relief
21 from major physical change not due to negligence of the
22 purchaser prior to approval of construction of any section
23 of specified road or of any other specified development fa-
24 cility and, as a result of a major disaster, a major physical
25 change results in additional construction work in connection

1 with such road or facility by such purchaser with an esti-
2 mated cost, as determined by the appropriate Secretary, (1)
3 of more than \$1,000 for sales under one million board feet,
4 (2) of more than \$1 per thousand board feet for sales of
5 one to three million board feet, or (3) of more than \$3,000
6 for sales over three million board feet, such increased con-
7 struction cost shall be borne by the United States.

8 (b) If the Secretary determines that damages are
9 so great that restoration, reconstruction, or construction is
10 not practical under the cost-sharing arrangement authorized
11 by subsection (a) of this section, the Secretary may allow
12 cancellation of the contract notwithstanding contrary pro-
13 visions therein.

14 (c) The Secretary of Agriculture is authorized to re-
15 duce to seven days the minimum period of advance public
16 notice required by the first section of the Act of June 4, 1897
17 (16 U.S.C. 476), in connection with the sale of timber from
18 national forests, whenever the Secretary determines that (1)
19 the sale of such timber will assist in the construction of any
20 area of a State damaged by a major disaster, (2) the sale
21 of such timber will assist in sustaining the economy of such
22 area, or (3) the sale of such timber is necessary to salvage
23 the value of timber damaged in such major disaster or to
24 protect undamaged timber.

25 (d) The President, when he determines it to be in the

1 public interest, and acting through the Director of Emer-
2 gency Preparedness, is authorized to make grants to any
3 State or local government for the purpose of removing from
4 privately owned lands timber damaged as a result of a major
5 disaster, and such State or local government is authorized
6 upon application, to make payments out of such grants to
7 any person for reimbursement of expenses actually incurred
8 by such person in the removal of damaged timber, not to
9 exceed the amount that such expenses exceed the salvage
10 value of such timber.

PUBLIC LAND ENTRYMEN

12 SEC. 243. The Secretary of the Interior is authorized to
13 give any public land entryman such additional time in which
14 to comply with any requirement of law in connection with
15 any public land entry for lands affected by a major disaster
16 as the Secretary finds appropriate because of interference
17 with the entryman's ability to comply with such requirement
18 as a result of such major disaster.

19 MINIMUM STANDARDS FOR RESIDENTIAL STRUCTURE

RESTORATION

21 SEC. 244. (a) No loan or grant made by any Federal
22 agency, or by any relief organization operating under the
23 supervision of the Director, for the repair, restoration, recon-
24 struction, or replacement of any residential structure located
25 in a major disaster area shall be made unless such structure

1 will be repaired, restored, reconstructed, or replaced in ac-
2 cordance with such minimum standards of safety, decency,
3 and sanitation as the Secretary of Housing and Urban De-
4 velopment may prescribe by regulation for such purpose,
5 and in conformity with applicable building codes and
6 specifications.

7 (b) In order to carry out the provisions of this sec-
8 tion, the Secretary of Housing and Urban Development is
9 authorized—

10 (1) to consult with such other officials in the
11 Federal, State, and local governments as he deems
12 necessary, in order that regulations prescribed under
13 this section shall—

14 (A) carry out the purpose of this section; and
15 (B) have the necessary flexibility to be con-
16 sistent with requirements of other building regula-
17 tions, codes, and program requirements applicable;
18 and

19 (2) to promulgate such regulations as may be
20 necessary.

21 PART D—RESTORATION OF PUBLIC FACILITIES

22 FEDERAL FACILITIES

23 SEC. 251. The President may authorize any Federal
24 agency to repair, reconstruct, restore, or replace any facility
25 owned by the United States and under the jurisdiction of

1 such agency which is damaged or destroyed by any major
2 disaster if he determines that such repair, reconstruction, res-
3 toration, or replacement is of such importance and urgency
4 that it cannot reasonably be deferred pending the enactment
5 of specific authorizing legislation or the making of an appro-
6 priation for such purposes. In order to carry out the pro-
7 visions of this section, such repair, reconstruction, restora-
8 tion, or replacement may be begun notwithstanding a lack
9 or an insufficiency of funds appropriated for such purpose,
10 where such lack or insufficiency can be remedied by the
11 transfer, in accordance with law, of funds appropriated for
12 another purpose.

13 STATE AND LOCAL GOVERNMENT FACILITIES

14 SEC. 252. (a) The President is authorized to make
15 contributions to State or local governments to repair, restore,
16 reconstruct, or replace public facilities belonging to such
17 State or local governments which were damaged or
18 destroyed by a major disaster, except that the Federal contri-
19 bution therefor shall not exceed 50 per centum of the net
20 cost of restoring any such facility to its capacity prior to
21 such disaster and in conformity with applicable codes and
22 specifications.

23 (b) In the case of any such public facilities which were
24 in the process of construction when damaged or destroyed
25 by a major disaster, the Federal contribution shall not exceed

1 50 per centum of the net costs of restoring such facilities
2 substantially to their prior to such disaster condition and of
3 completing construction not performed prior to the major
4 disaster to the extent the increase of such cost over the orig-
5 inal construction cost is attributable to changed conditions
6 resulting from a major disaster.

7 (c) For the purposes of this section "public facility"
8 includes any flood control, navigation, irrigation, reclama-
9 tion, public power, sewage treatment and collection, water
10 supply and distribution, watershed development, or airport
11 facility, any non-Federal-aid street, road, or highway, and
12 any other essential public facility.

13 PRIORITY TO CERTAIN APPLICATIONS FOR PUBLIC FACILITY
14 AND PUBLIC HOUSING ASSISTANCE

15 SEC. 253. In the processing of applications for assist-
16 ance, priority and immediate consideration may be given,
17 during such period, not to exceed six months, as the Pres-
18 ident shall prescribe by proclamation, to applications from
19 public bodies situated in major disaster areas, under the fol-
20 lowing Acts:

- 21 (1) title II of the Housing Amendments of 1955,
22 or any other Act providing assistance for repair, con-
23 struction, or extension of public facilities;
- 24 (2) the United States Housing Act of 1937 for the
25 provision of low-rent housing;

1 (3) section 702 of the Housing Act of 1954 for
2 assistance in public works planning;

3 (4) section 702 of the Housing and Urban Devel-
4 opment Act of 1965 providing for grants for public
5 facilities; or

6 (5) section 306 of the Consolidated Farmers Home
7 Administration Act.

8 RELOCATION ASSISTANCE

9 SEC. 254. Notwithstanding any other provision of law
10 or regulation promulgated thereunder, no person otherwise
11 eligible for relocation assistance payments authorized under
12 section 114 of the Housing Act of 1949 shall be denied such
13 eligibility as a result of a major disaster as determined by
14 the President.

15 TITLE III—MISCELLANEOUS

16 TECHNICAL AMENDMENTS

17 SEC. 301. (a) Section 701 (a) (3) (B) (ii) of the Hous-
18 ing Act of 1954 (40 U.S.C. 461 (a) (3) (B) (ii) is amended
19 to read as follows: “(ii) have suffered substantial damage
20 as a result of a major disaster as determined by the Presi-
21 dent pursuant to the Disaster Assistance Act of 1970”.

22 (b) Section 8 (b) (2) of the National Housing Act
23 (12 U.S.C. 1706c(b) (2)) is amended by striking out of
24 the last proviso “section 2 (a) of the Act entitled ‘An Act
25 to authorize Federal assistance to States and local govern-

1 ments in major disasters, and for other purposes' (Public
2 Law 875, Eighty-first Congress, approved September 30,
3 1950)" and inserting in lieu thereof "section 102 (1) of
4 the Disaster Assistance Act of 1970".

5 (c) Section 203 (h) of the National Housing Act (12
6 U.S.C. 1709 (h)) is amended by striking out "section 2 (a)
7 of the Act entitled 'An Act to authorize Federal assistance
8 to States and local governments in major disasters and for
9 other purposes' (Public Law 875, Eighty-first Congress,
10 approved September 30, 1950), as amended" and inserting
11 in lieu thereof "section 102 (1) of the Disaster Assistance
12 Act of 1970".

13 (d) Section 221 (f) of the National Housing Act (12
14 U.S.C. 1715l (f)) is amended by striking out of the last
15 paragraph "the Act entitled 'An Act to authorize Federal
16 assistance to States and local governments in major disasters,
17 and for other purposes', approved September 30, 1950, as
18 amended (42 U.S.C. 1855-1855g)" and inserting in lieu
19 thereof "the Disaster Assistance Act of 1970".

20 (e) Section 7 (a) (1) (A) of the Act of September 30,
21 1950 (Public Law 874, Eighty-first Congress, as amended;
22 20 U.S.C. 241-1 (a) (1) (A)), is amended by striking
23 out "pursuant to section 2 (a) of the Act of September
24 30, 1950 (42 U.S.C. 1855a (a))" and inserting in lieu

1 thereof "pursuant to section 102 (1) of the Disaster Assis-
2 tance Act of 1970".

3 (f) Section 16 (a) of the Act of September 23, 1950
4 (79 Stat. 1158; 20 U.S.C. 646 (a)) is amended by striking
5 out "section 2 (a) of the Act of September 30, 1950 (42
6 U.S.C. 1855a (a))" and inserting in lieu thereof "section
7 102 (1) of the Disaster Assistance Act of 1970".

8 (g) Section 408 (a) of the Higher Education Facilities
9 Act of 1963 (20 U.S.C. 758 (a)) is amended by striking
10 out "section 2 (a) of the Act of September 30, 1950 (42
11 U.S.C. 1855a (a))" and inserting in lieu thereof "section
12 102 (1) of the Disaster Assistance Act of 1970".

13 (h) Section 165 (h) (2) of the Internal Revenue Code
14 of 1954, relating to disaster losses (26 U.S.C. 165 (h) (2))
15 is amended to read as follows:

16 " (2) occurring in an area subsequently determined
17 by the President of the United States to warrant assist-
18 ance by the Federal Government under the Disaster
19 Assistance Act of 1970,".

20 (i) Section 5064 (a) of the Internal Revenue Code of
21 1954 (26 U.S.C. 5064 (a)), relating to losses caused by
22 disaster, is amended by striking out "the Act of Septem-
23 ber 30, 1950 (42 U.S.C. 1855)" and inserting in lieu thereof
24 "the Disaster Assistance Act of 1970".

25 (j) Section 5708 (a) of the Internal Revenue Code of

1 1954 (26 U.S.C. 5708 (a)), relating to losses caused by
2 disaster, is amended by striking out "the Act of Septem-
3 ber 30, 1950 (42 U.S.C. 1855)" and inserting in lieu
4 thereof "the Disaster Assistance Act of 1970".

5 (k) Section 3 of the Act of June 30, 1954 (68 Stat.
6 330; 48 U.S.C. 1681), is amended by striking out of the
7 last sentence "section 2 of the Act of September 30, 1950
8 (64 Stat. 1109), as amended (42 U.S.C. 1855a)" and in-
9 serting in lieu thereof "section 102 (1) of the Disaster Assis-
10 tance Act of 1970".

11 (l) Whenever reference is made in any provision of law
12 (other than this Act), regulation, rule, record, or document
13 of the United States to the Act of September 30, 1950 (64
14 Stat. 1109), or any provision of such Act, such reference
15 shall be deemed to be a reference to the Disaster Assistance
16 Act of 1970 or to the appropriate provision of the Disaster
17 Assistance Act of 1970 unless no such provision is included
18 therein.

19 REPEAL OF EXISTING LAW

20 SEC. 302. The following Acts are hereby repealed:

21 (1) the Act of September 30, 1950 (64 Stat.
22 1109);

23 (2) the Disaster Relief Act of 1966, except section
24 7 (80 Stat. 1316); and

1 (3) the Disaster Relief Act of 1969 (83 Stat.
2 125).

3 AUTHORIZATION OF APPROPRIATIONS

4 SEC. 303. Except as provided otherwise in this Act,
5 there are hereby authorized to be appropriated such sums
6 as may be necessary to carry out the provisions of this Act.

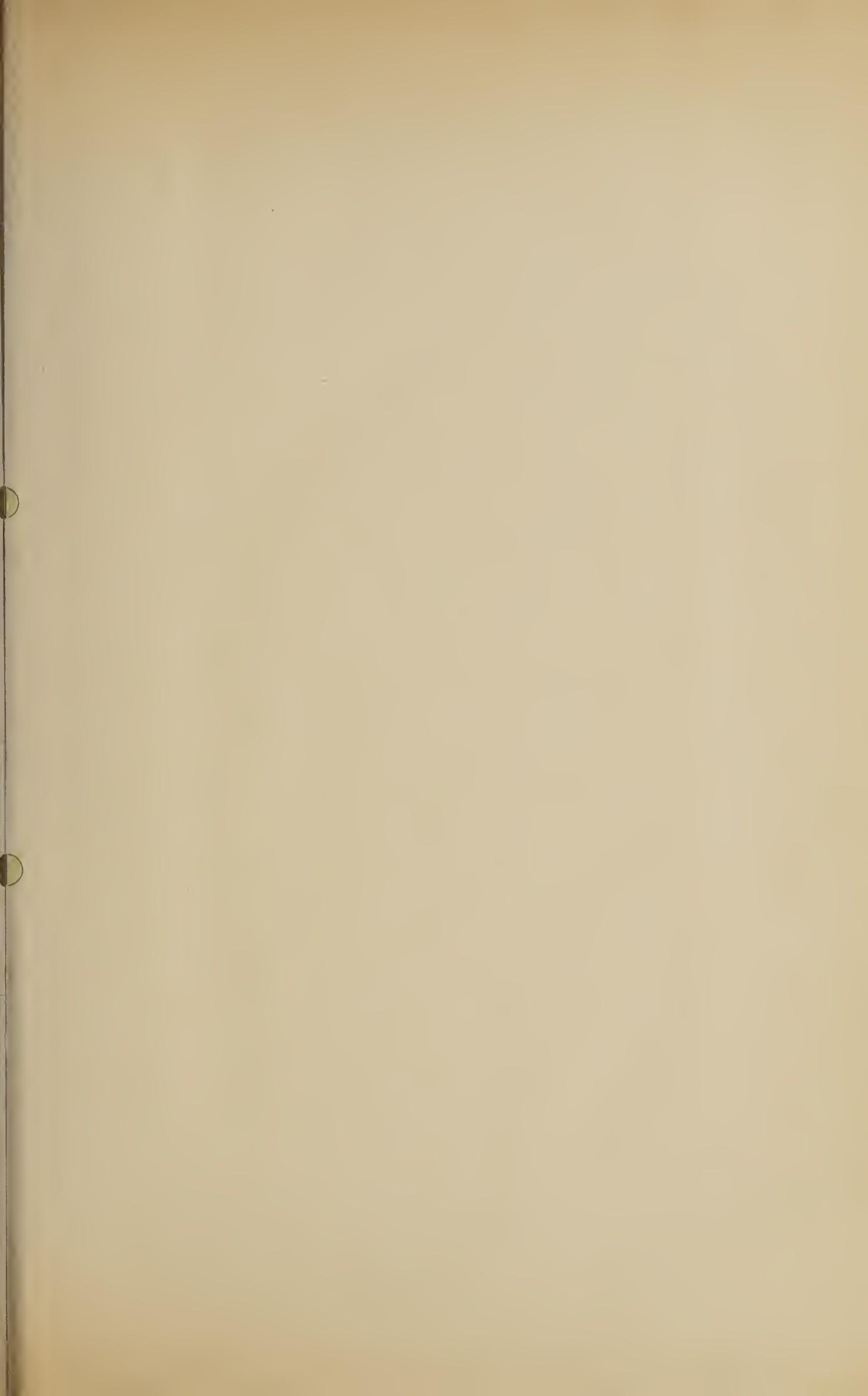
7 EFFECTIVE DATE

8 SEC. 304. This Act shall take effect immediately upon
9 its enactment, except that sections 226 (c), 237, 241, 252
10 (a), and 254 shall take effect as of August 1, 1969, and sec-
11 tions 231, 232, and 233 shall take effect as of April 1, 1970.

Passed the Senate September 9, 1970.

Attest: FRANCIS R. VALEO,

Secretary.



AN ACT

To revise and expand Federal programs for relief from the effects of major disasters, and for other purposes.

SEPTEMBER 10, 1970

Referred to the Committee on Public Works

DIGEST of Congressional Proceedings

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(FOR INFORMATION ONLY;
NOT TO BE QUOTED OR CITED)

For actions of September 24, 1970
91st-2nd; No. 167

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HIGHLIGHTS: Rep. Findley again asked for rejection of cotton amendments to Farm bill.
Rep. Dingell inserted article criticizing USDA's proposed plan to combat the fire ant.

SENATE

1. COMMITTEE ACTION.

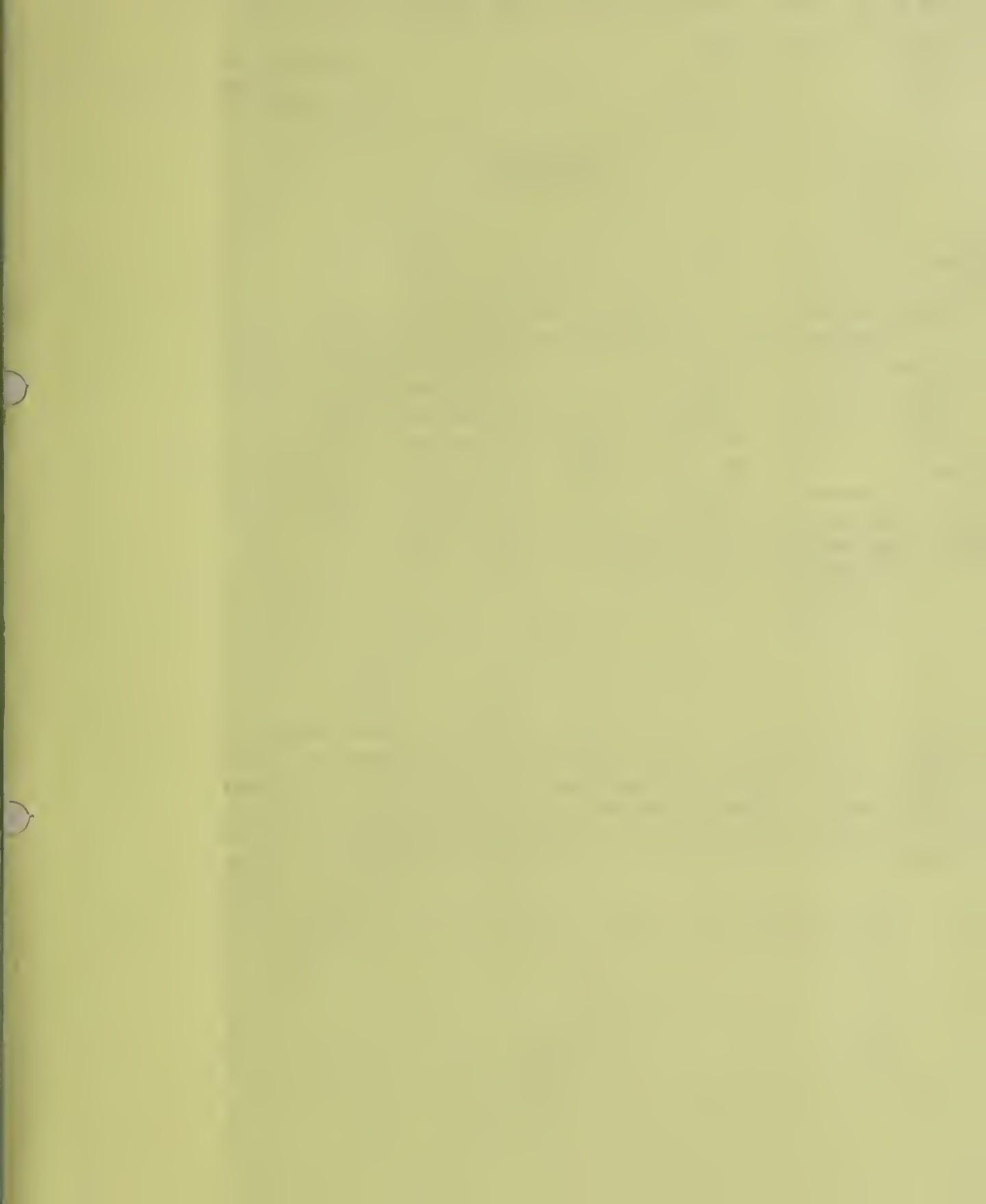
Committee on Labor and Public Welfare reported, with amendment, S. 2461, to strengthen the existing program relating to the operation of vending facilities by the blind (S. Rept. 91-1235). p. S16444

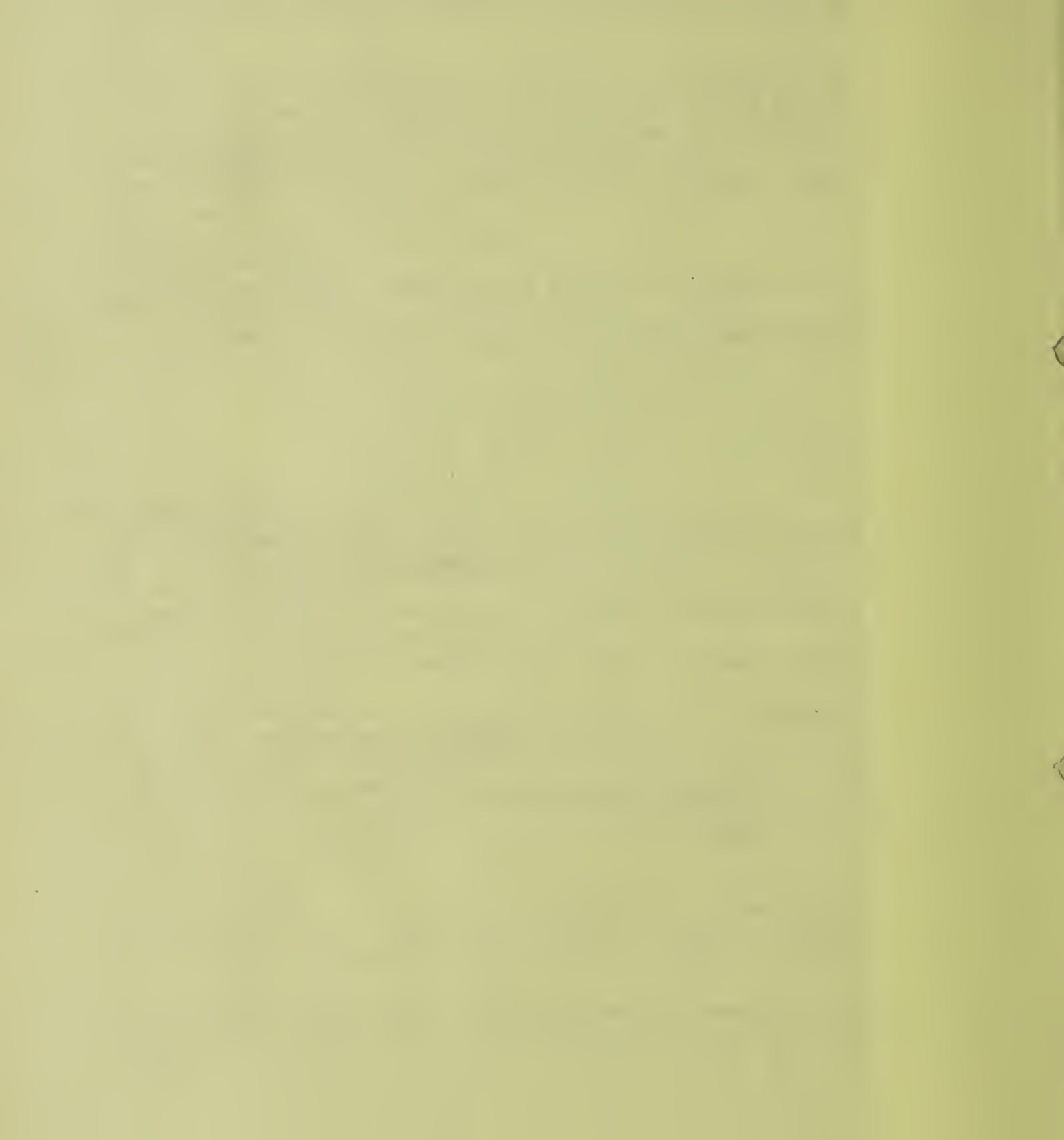
A subcommittee of the Public Works Committee approved for full committee action the proposed Federal-Aid Highway Act of 1970. p. D1052

2. FARMWORKERS. Rep. Mondale expressed concern over the violence which has surrounded the efforts to organize migrant workers in the Salinas Valley, California and stated his intention of watching the situation very closely.
p. S16460
3. RESOLUTIONS. Received several resolutions from the Association of Midwest Fish and Game Commissioners, Denver, Colo., relating to the following topics:
loss of wetlands and sports fisheries caused by stream channelization under the Small Watershed Act, to the Committee on Commerce;
consideration of fish and wildlife aspects in water resources management, to the Committee on Commerce;
continued efforts on public land law review, to the Committee on Interior and Insular Affairs;
research on mercury contamination of the environment, to the Committee on Public Works;
establishment of a National Water Bank, to the Committee on Public Works.
p. S16444

HOUSE

4. COMMITTEE ACTION.
- Committee on Post Office and Civil Service reported, with amendment, S. 437, relating to survivor annuities under the civil service retirement program (H. Rept. 91-1469). p. H9259
- Committee on Interior and Insular Affairs voted to report (but did not actually report) the following bills:
- H.R. 10482 amended, authorizing the establishment of Voyageurs National Park in Minnesota;
- S. 368 amended, authorizing the disposition of geothermal steam and associated geothermal resources. p. D1054
- Committee on Public Works voted to report (but did not actually report)
- S. 3619 amended, the proposed Disaster Assistance Act of 1970. p. D1055
- Committee on Rules granted a closed rule providing for the consideration of and 8 hours of debate, waiving points of order against H.R. 18970, the proposed Trade Act of 1970. p. D1055
5. LEGISLATIVE PROGRAM. It was announced that H. Res. 1209, disapproving Reorganization Plan #3, and H. Res. 1210, disapproving Reorganization Plan #4, will be considered Monday, Sept. 28. pp. H9223-4
6. FARM BILL. Rep. Findley again urged the House conferees to reject Senate cotton amendments to the farm bill, terming it the "so-called Cotton Protection Act".
p. H9240





DIGEST of Congressional Proceedings

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(FOR INFORMATION ONLY;
NOT TO BE QUOTED OR CITED)

For actions of September 29, 1970
91st-2nd; No. 170

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HIGHLIGHTS: House Committees reported bills permitting paid advertising under marketing orders, providing for potato research and promotion program, and extending restrictions on imported commodities; expanding disaster relief programs; regarding margarine served in public places; and rules for bills increasing certain FHA loan limitations and prohibiting importation of certain agricultural commodities to which economic poisons have been applied.

Rep. Mahon inserted highlights of latest "budget scorekeeping" report.
Senate Committee reported plant variety protection bill.

HOUSE

1. **BILLS REPORTED.**

Committee on Agriculture reported with amendment H.R. 18884, to permit projects for paid advertising under marketing orders, to provide for a potato research and promotion program, and to provide for the extension of restrictions on imported commodities (H. Rept. 91-1480) (filed Sept. 28); and

Committee on Public Works reported with amendment S. 3619, to revise and expand Federal programs for disaster relief (H. Rept. 91-1524); and

Committee on Interstate and Foreign Commerce reported with amendment, H.R. 12061, regarding the identification of margarine served in public places (H. Rept. 91-1526); and

Committee on Rules reported the following:

H. Res. 1228, an open rule providing for the consideration of, and 1 hour of debate on, H.R. 11547, to increase the loan limitation on certain FHA loans; and

H. Res. 1229, an open rule providing for the consideration of, and 1 hour of debate on, H.R. 15560, to prohibit the importation of certain agricultural commodities to which economic poisons have been applied.
pp. H9426-7

2. **COMMITTEE ACTION.**

Committee on Banking and Currency voted to report (but did not actually report) H.R. 19436, the proposed Housing and Urban Development Act of 1970. p. D1074

Committee on Ways and Means approved a 5-year extention of the Highway Trust Fund. p. D1076

Conferees agreed to file a report on H.R. 11833, providing financial assistance for the construction of solid waste disposal facilities. p. D1076

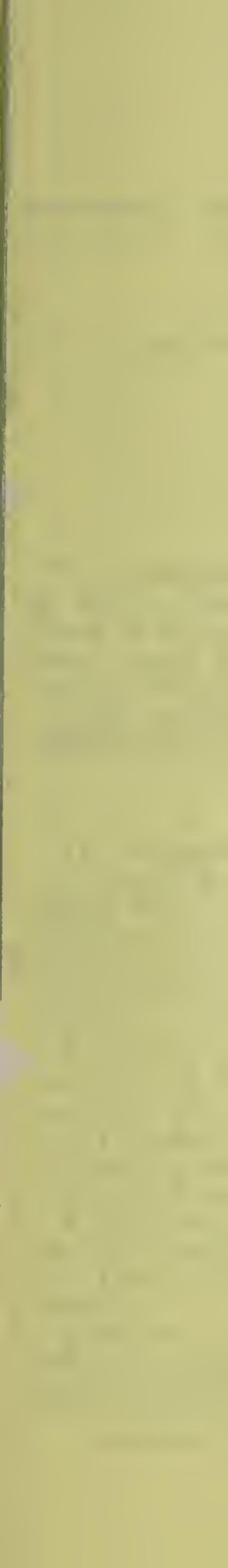
3. **FOREIGN TRADE.** Rep. Gibbons spoke in favor of an open rule for debate on the trade bill and included several editorials expressing opposition to the bill in its present form. pp. H9382-6

Rep. Dent also expressed support of an open rule for the consideration of the trade bill and inserted a history of the trade and tariff actions of the Congresses of the U.S. since 1776. pp. H9386-8

SENATE

4. **NOVEL PLANT VARIETIES.** Judiciary Committee reported with amendments S. 3070, to enoourage the development of novel varieties of plants (S. Rept. 91-1246)
p. S16679

5. **REORGANIZATION PLAN NO. 3.** Committee on Government Operations issued special report recommending that Reorganization Plan No. 3, providing for the establishment of the Environmental Protection Agency become effective (S. Rept. 91-1250).
p. S16679



DISASTER RELIEF ACT OF 1970

SEPTEMBER 29, 1970.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. FALLON, from the Committee on Public Works,
submitted the following

REPORT

[To accompany S. 3619]

The Committee on Public Works, to whom was referred the bill (S. 3619) to revise and expand Federal programs for relief from the effects of major disasters, and for other purposes, having considered same, reports favorably thereon with amendment and recommends that the bill as amended do pass. The amendment is as follows:

Strike out all after the enacting clause and insert a substitute text which is printed in the reported bill in italic type.

PURPOSE

The purpose of S. 3619 as amended, is to—

1. Amend the Act, approved September 30, 1950 (Public Law 875, Eighty First Congress; 42 U.S.C. 1855-1855g; to clarify the scope and extent of Federal assistance authorized by the Congress for repair or restoration of facilities; to provide for temporary housing of disaster victims; and for use of the Salvation Army in Federal disaster relief activities.
2. Amend the Disaster Relief Act of 1969 (Public Law 91-79; Stat. 125) by extending, or terminating, its temporary provisions and modifying certain permanent sections.
3. Provide for relocation assistance payments under section 114 of the Housing Act of 1949 that might otherwise be denied as a result of a major disaster as determined by the President.
4. Provide grants to local governments to compensate for substantial loss of property tax revenue.
5. Provide for Federal assistance in advance of an imminent major disaster.
6. Provide for study by Office of Emergency Preparedness to determine what plans, procedures, and facilities are needed for hazard reduction purposes related to various types of major disasters.

7. Amend the Disaster Relief Acts of 1950, 1966 and 1969 to make applicable certain provisions of the Disaster Relief Act of 1950 to the two subsequent Acts and to this legislation.

8. Provide for the directive authority of the Disaster Relief Act of 1950 to be applicable to the two subsequent Acts and to this legislation.

9. Provide for disposition of temporary housing by direct sale to disaster victims.

10. Establish the effective dates for Federal disaster assistance authorized by this Act.

SECTION-BY-SECTION SUMMARY

Section 1. Provides that the act may be cited as the "Disaster Relief Act of 1970".

Section 2. Amends Public Law 875, Eighty-first Congress, as follows:

(1) Strikes out "essential" from section 1, Public Law 81-875. The intent is to permit the repair or restoration of public facilities without regard to essentiality.

(2) Amends the definition of the term "major disaster" in Public Law 81-875 to require that Governors certify a need for "Federal disaster assistance" rather than just assistance under Public Law 81-875. The amendment also deletes a reference to the Board of Commissioners of the District of Columbia since that Board no longer exists.

(3) Amends the definition of the term State to include the District of Columbia.

(4) Deletes the reference to the District of Columbia in the definition of local government.

(5) Revises section 3(d) of Public Law 81-875 to provide that Federal contributions for permanent repair or replacement of public facilities of State and local governments shall not exceed the net cost of restoring such facilities, using the basis of design of the facilities as they existed immediately prior to the disaster, but in conformity with current codes and specifications. This section has been further amended to provide that no rental shall be charged for the first twelve months for temporary housing. After that, rentals would be charged, based on fair market value adjusted to take into consideration the financial ability of the occupant to pay.

(6) Revises section 4, Public Law 81-875 to add the Salvation Army as a private relief organization authorized to distribute needed supplies in a disaster area.

Section 3. Amends certain provisions of the Disaster Relief Act of 1969 (Public Law 91-79) as follows:

(1) Amends section 6 of the Disaster Relief Act of 1969, concerning the disaster loan authorities of the Small Business Administration by:

(a) Including as eligible for SBA disaster loans, such injury, loss, or damage which may result from a disaster when determined by (a) the Secretary of Agriculture; (b) the Administrator of the Small Business Administration; and (c) the President.

(b) Providing for standardizing the interest rates on loans. [even though assistance may be available from private sources.] The maximum allowable interest rate would be 6 percent.

(c) Providing that loans shall not be denied on the basis of the age of the applicant.

(d) Providing that such loans may not exceed the current repair or replacement cost of the disaster loss.

(e) Providing that in cases of hardship resulting from Presidentialy determined disaster, the borrower may cancel the principal of any loan in excess of \$500, up to \$2,500.

(f) Provide for refinancing of mortgages and loans.

(g) Provide for loans without regard to whether private sources are available for such loans.

Section 3(2) provides the same amendments for Farmers Home Administration as for the Small Business Administration.

Section 3(3)(A) amends section 8(A) of Public Law 91-79 by adding assistance to "local governments". The act now only refers to individuals.

Section 3(3)(B) amends section 8(c) of Public Law 91-79 to eliminate the cutoff date for State plans and provides that plans developed under this section shall be applicable to local governments as well as individuals.

Section 3(3)(C) further amends section 8 of Public Law 91-79 by authorizing matching grants to States up to \$25,000 per annum for purposes of improving, maintaining, and updating State disaster assistance plans.

Section 3(4) amends section 14, Public Law 91-79 to authorize the use of Federal agencies to clear debris from publicly and privately owned lands and waters, when determined to be in the public interest. Authorization is also provided for grants to any State for similar debris clearance. A requirement is imposed that State and local governments must arrange to provide unconditional authorizations for the removal of such debris and that the Federal Government be indemnified against claims arising from such removal.

Section 3(5)(A) amends section 15, Public Law 91-79 to delete the final date for assistance under that Act, established by existing law as December 31, 1970.

Section 3(5)(B) provides that sections 2, 4, and 10 of Public Law 91-79 shall not be in effect after December 31, 1970. Section 2 provides for a 50 percent Federal contribution for the permanent repair or reconstruction of non-Federal aid highways and is not necessary in view of a revised standard of repair for public facilities eligible for assistance under Public Law 81-875. Section 4 with respect to public land entryman is considered a duplication of existing authority. Section 10 which provides for temporary housing has been deleted in favor of a modified temporary housing provision. All other sections of Public Law 91-79 would remain in effect.

Section 4. Provides that no person otherwise eligible for relocation assistance payments authorized by section 114 of the Housing Act of 1949 shall be denied such eligibility as a result of a major disaster.

Section 5. Authorizes grants to any local government, which, as a result of a major disaster, has suffered a substantial loss of property tax revenue (both real and personal). Grants made under this Section may be made for the tax year in which the disaster occurred and for each of the following two tax years.

Section 6. Permits the President to take effective action to avert or lessen the effects of a catastrophe which threatens to become a major disaster. It is not necessary for the President to declare a major disaster before assistance can be provided under this section.

Section 7. Provides for the Director, OEP, to study and investigate what can be done to provide effective action to prevent or lessen losses of property and personal injury or deaths which could result from forest or grass fires, earthquakes, tornadoes, freezes and frosts, tsunami, storm surges and tides and floods which are or threaten to become major disasters. A report of the study and investigation to include recommendations should be submitted to the Congress no later than one year after enactment.

Section 8. Adopts for the purposes of this act, Public Law 89-769, and Public Law 91-79, the following definitions contained in Public Law 81-875: "major disaster", "United States", "State", "Governor", "local government", and "Federal agency". This section also (1) amends section 7 of Public Law 81-875 to include Public Law 91-79 and Public Law 89-769 within that part of section 7 which authorizes Federal agencies to accept and utilize local services and facilities of consenting State and local governments; and extends that provision of section 7 of Public Law 81-875 which authorizes Federal agencies to liberalize employment and contracting practices; (2) amends section 7 of Public Law 81-875 so that obligations may be incurred by any Federal agency in such amount as may be made available to it by the President out of funds available under this act; (3) further amends section 7, Public Law 81-875 to include this act, section 9, Public Law 89-769 and Public Law 91-79 so that Federal agency work performed and expenditures made under section 3, Public Law 81-875, would be eligible for reimbursement in such amounts as the President may deem appropriate.

Section 9. Authorizes the President to utilize the resources of Federal departments or agencies for use in disaster relief, with or without reimbursement, as he deems appropriate. Similar authority was granted by sections 3 and 7 of Public Law 81-875 but not by Public Law 89-769 or Public Law 91-79.

Section 10. Provides that, notwithstanding any other provision of law, such temporary housing including, but not limited to mobile homes or other readily fabricated buildings which were purchased under proper disaster authorities for disaster victims requiring accommodations may be sold directly to disaster victims who are occupants at fair and equitable prices.

Section 11. This section would authorize the President to provide financial assistance in the form of mortgage or rental payments to individuals or families who had suffered financial hardship caused by a major disaster, and who had received written notice of dispossession or eviction from their residence. The assistance could be furnished for not in excess of one year, or for the duration of the financial hardship, whichever is the lesser.

Section 12. Provides that the benefits of this act, and the amendments made by this act, shall apply to those Presidential declared major disasters, and those disasters and natural disasters as determined by the Secretary of Agriculture and the Administrator of the Small Business Administration which occurred on or after December 1, 1968. In the case of any such disaster which occurs on or after December 1, 1968, and before the date of enactment of this act, the eligible applicant for assistance shall elect to receive such assistance either under this act (including the amendments made by this act) or under the law applicable to such disasters which occurred prior to December

1, 1968. It is important to distinguish between the several "declaration" authorities cited herein. Each type of "declaration" provides specific statutory disaster benefits. A disaster determination by the Secretary of Agriculture and the Small Business Administration would generate certain disaster relief benefits only under their respective authorities; such disaster determinations do not, either individually or together, trigger the disaster relief benefits available under a Presidential declaration of a major disaster.

NEED FOR LEGISLATION

Public Law 81-875, as amended, is the basic authority for Federal disaster assistance. This law provides Federal assistance to State and local governments in restoring public facilities damaged or destroyed in a major disaster. The general framework of the program followed a stable pattern throughout the 1950's due to its emphasis on assisting the public sector, requiring relatively small expenditures from the President's Disaster Relief Fund.

In recent years, the extent of Federal participation in disaster relief has shown a marked increase. During the period 1953-60, disaster assistance funds totaled \$86.6 million. This can be compared with Federal expenditures of \$655.5 million for major disasters declared during 1962-1969.

Fortunately, the loss of lives and personal injuries caused by disasters have decreased. This is due to the development of more accurate weather forecasting and warning techniques. On the other hand, property losses have significantly increased. The expanding populace and surging property values—residential, commercial, and industrial—have greatly increased the replacement costs of these facilities.

Calendar year 1969 exemplifies the increased requirement for Federal response to disasters under modern conditions of population and environment. During that year the President declared 29 major disasters—the largest number since passage of Public Law 81-875 in 1950. Twenty-three States were affected, six of them twice. During the period 1953 through 1960, an average of 14 major disasters were declared.

Hurricane Camille slammed into the gulf coast in August of 1969. Known deaths totaled 262 and public and private property loss is estimated at \$1.5 billion. The Office of Emergency Preparedness has allocated approximately \$72 million for the five States affected by this disaster.

Updating and expanding of the Federal disaster relief program was provided by the Disaster Relief Act of 1966 (Public Law 89-769) and by the Disaster Relief Act of 1969 (Public Law 91-79).

Public Law 91-79 expanded Federal assistance to include certain areas in need of further attention. Permanent sections of this Act are those providing for the appointment of a Federal coordinating officer, and authority for the President to make grants and loans to any State in the suppression of forest or grassland fires which may threaten to become a major disaster. The sections scheduled to expire on December 31, 1970, are those providing for permanent repair of road and highway facilities; timber sale contracts; public land entrymen; liberalized loan programs of Small Business Administration and Farmers Home Administration; debris removal; temporary housing;

food stamps; unemployment compensation and development of comprehensive plans for individuals.

Basically, Public Law 81-875 is sound legislation and has withstood the test of time. Obviously some amendments are needed to incorporate provisions for additional assistance in both the public and private sectors to preclude the need for special legislation after each major disaster impacting large areas and populations. Sufficient time has not elapsed since passage of Public Law 91-79 to evaluate thoroughly the results of each section of this law. An approach in the form of omnibus legislation is not recommended at this time as undoubtedly further revisions will be required based upon experience gained with new programs in the next two or three years.

S. 3619, as amended, meets all of the essential requirements of an effective legislative program for Federal assistance for three types of disasters. These three types are: (1) major disasters declared by the President; (2) natural disasters designated by the Secretary of Agriculture; and (3) disaster loan areas designated by the Administrator, Small Business Administration.

COMMITTEE HEARINGS

The Subcommittee on Flood Control, House Committee on Public Works, visited during 1969, the areas in Mississippi and Louisiana devastated by Hurricane Camille to observe disaster relief activities and to evaluate the effectiveness of existing legislative authorities. During the public hearings, before the Subcommittee on Flood Control many witnesses appeared and testified on the needs for disaster relief legislation, additional witnesses made their position known through submission of written reports while affected Federal agencies submitted reports and analyses. Each of these presentations received complete and careful attention from the subcommittee.

COMMITTEE VIEWS

The committee hopes that S. 3619, as amended and submitted to the House of Representatives will receive the support it deserves, as an act designed to clarify and update existing legislation and to provide for new legislative authorities where needed for new programs such as tax revenue maintenance. Emphasis is properly given to preparedness measures and to prevention of disasters. Further experience is needed with debris clearance from private property, temporary housing and unemployment compensation to evaluate the cost and effectiveness of those forms of assistance to disaster victims. Some programs, such as maintenance of tax revenues, mortgage payments, and relocation assistance are as yet untried. Experience with such programs is desirable before an effort is made to codify all existing disaster assistance legislation into a single act.

MONETARY AUTHORIZATION

S. 3619, as amended, provides for no specific dollar authorization, the exact amount of funds needed will depend upon the frequency and magnitude of disasters that occur and the elections of options made by eligible applicants for those disasters which have occurred during the period of overlap of recent disaster legislation.

EXPLANATION OF THE BILL

Section 2

Paragraph (1) strikes out "essential" from section 1 of Public Law 81-875. This provides for greater latitude in the administration in the repair of public facilities, however it is not intended to provide for repairs to facilities which are obsolete and not in use.

Paragraph (2) changes the definition of "major disaster" by requiring the Governor of a State to certify the need for "Federal disaster assistance" instead of merely "disaster assistance under this Act." Paragraphs (3) and (4) ensure that the District of Columbia would be listed as a State instead of a local government.

Paragraph (5) removes the authority for "clearing debris and wreckage" from section 3(d) of Public Law 81-875, and extends the scope of Federal aid to permit making permanent repairs and replacements of public facilities instead of only emergency repairs and temporary replacements. The Federal contribution would be limited to the net cost of restoring the facility using the basis of design of that facility as it existed immediately prior to the disaster, but in accordance with current codes, standards and specifications. The intent here is to provide for Federal payment for a new facility that would provide the same capacity as the old facility if it were to be built today according to up-to-date standards. Two examples, (1) If a 400 pupil school constructed in 1950 was designed on then existing criteria to provide a certain number of square feet per student, a cafeteria and library, but no gymnasium or swimming pool, the Federal contribution would be available to the amount that would be required for a 400 pupil school with a cafeteria and library. It would not pay for a swimming pool and gymnasium even though such amenities would be required if the school were to be built now. Nor would the Federal government pay for a 600 pupil school which would be called for if the school were to be designed new today. If, however, today's standards called for a greater number of square feet per student the Federal contribution would properly pay for space based on the new figure; similarly lighting levels, plumbing and installed fixtures based on 1970 levels rather than 1950 criteria would be used in determining the Federal contribution. Example (2): An old bridge containing two ten foot lane without shoulders or sidewalks was washed out as a result of a disaster. Assuming that the average daily traffic would now justify a four lane bridge, the Federal contribution would nevertheless be limited to 100% of the net cost of replacing two lanes. If current standards now require twelve foot lanes, shoulders and sidewalks, the Federal contribution would properly include those costs. If the State or local government decided to build a four lane bridge; it could do so but the Federal contribution would be limited to the cost of a new two lane bridge.

Paragraph (5) of section 2 of the committee amendment provides further, if temporary housing or emergency shelter is provided, the first twelve months of occupancy would be rent-free. After that, rentals would be based on the fair market rental value of the accommodations furnished. Adjustment of the rentals charged to disaster victims occupying temporary housing shall be made downward based upon the financial ability of the occupants to pay. There would be no limitation upon the type of acquisition available to the Federal Government in acquiring temporary housing or other emergency

shelter, including but not limited to, mobile homes or other readily fabricated dwellings.

Paragraph (6) provides that the Salvation Army may act as a distribution organization in addition to the "Red Cross or otherwise."

Section 3

Paragraph (1) of section 3 of the committee amendment would amend the Disaster Relief Act of 1969 (Public Law 91-79, 83 Stat. 125) by (1) amending Section 6 to include as eligible for Small Business Act disaster relief loans losses, damage or economic injury resulting from a natural disaster as determined by the Secretary of Agriculture, a disaster as determined by the Administrator of the SBA as well as the now included major disaster as determined by the President. "Injury" is understood to be economic injury, "Loss or damage" is no longer confined to property loss or damage.

The authority contained in existing section 6(2) of Public Law 91-79 for the granting of any loan for repair, rehabilitation or replacement of property damaged or destroyed is retained. However, the interest rate would be determined by the Secretary of the Treasury taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods of maturity of ten to twelve years reduced by not to exceed 1 per centum per annum. However, the maximum allowable interest rate would be 6 percent. The existing statute requires the loan to bear an interest rate based upon all interest bearing obligations of the United States with maturities of 20 years or more.

This provision also eliminates the requirement in existing section 6(2) of Public Law 91-79 to the effect that a loan granted without regard to whether the required financial assistance is otherwise available from private sources would not be eligible for cancellation or deferral. The revised section 6(a), paragraphs (1), (3) and (4) would make such loans eligible for deferral or cancellation without regard to availability of financial assistance from private sources.

Existing section 6(1) provides that to the extent loss or damage is not compensated for by insurance or otherwise, the borrower of any loan in excess of \$500 shall have the option to cancel the interest on the loan or the principal of the loan or any compensation of interest or principal not to exceed \$1,800 and the Small Business Administration may defer interest payments or principal payments or both during the first three years of the term of the loan without regard to the ability of the borrower to make such payments. The committee amendment permits, in cases of hardship resulting from Presidentialy determined disasters, the cancellation of the principal only of the loan in excess of \$500 up to \$2,500. This means that the borrower in such case would no longer be able to cancel the interest due but would have the advantage of cancelling principal up to \$2,500 rather than \$1,800. Hardship as used herein is to be liberally interpreted.

The revised section 6(4) contained in the committee amendment retains provision for deferral of interest and principal payments during the first three years of the term of the loan but eliminates the existing requirement that the deferral shall be made "without regard to the ability of the borrower to make such payment." It further requires that the new interest rate based on 10 to 12 year obligations of the U.S. (but in no event to exceed 6 percent per annum) shall be used.

The existing section 6(3) permitting refinancing of mortgage or other liens in the case of total destruction or substantial property damage

of a home or business concern is replaced by the revised section 6(2) which permits refinancing only to the amount of the physical loss sustained. This subsection applies only to major disasters declared by the President.

A new section 6(c) provides that a loan shall not be denied on the basis of the age of the applicant.

[Paragraph (2) of section 3 of the committee amendment provides for a revised section 7 dealing with emergency farm loans under the Consolidated Farmers Home Administration Act of 1961, as amended (7 U.S.C. 1961-1967) and provides the same requirements for these FHA Act loans as are provided in revised section 6 for the Small Business Act loans.]

Paragraph (3)(A) of section 3 of the committee amendment authorizes the President to provide assistance to the States in developing disaster relief plans and programs to include assistance to "local governments", thus adding local governments into the Disaster Relief Act of 1969 which now refers only to individuals.

Paragraph (3)(B) of this section makes section 8 of the 1969 Act permanent law by eliminating the deadline date of December 31, 1970, by which the States were to submit their State plans to the President.

Paragraph (3)(C) of this section authorizes the President to make grants not to exceed 50% of the cost of improving, maintaining and updating State disaster assistance plans. This is limited to \$25,000 per annum to each State.

Paragraph (4) of this section would amend section 14 of the existing 1969 act relating to debris removal to permit removal of debris or wreckage from both publicly and privately owned lands and waters. It also authorizes the President to use Federal departments, agencies and instrumentalities to clear the debris; however, this authority shall not be exercised unless the State or local government first arranges for an unconditional authorization for removal of the debris or wreckage from public and private property. The existing authority to make grants to States for the purpose of debris removal from privately owned lands and waters is expanded to permit grants to local governments and also to cover both publicly and privately owned lands and waters. The authority of the State to make payments to any person for reimbursement of expenses actually incurred by such person for the removal of debris would be removed from the Federal law.

In the case of debris removal from private property, the State or local government must first agree to indemnify the Federal government against any claim arising from the removal.

Paragraph (5)(A) of this section eliminates the cutoff date for eligibility for assistance under the 1969 Act by striking out "December 31, 1970."

Paragraph (5)(B) repeals sections 2, 4 and 10 of the 1969 Act [Public Law 91-79] dealing with highway repairs, public land entrymen, and temporary dwellings, respectively, after December 31, 1970. This is no change from the existing law. However, the result of these amendments will be to continue in effect sections 3 (timber sales contracts), 6 (SBA disaster loans, as amended), 7 (emergency farm loans, as amended), 11 (food coupon allotments), 12 (unemployment assistance) and 14 (debris removal, as amended), all of which

would have otherwise been terminated as of December 31, 1970. Sections 5, 8, 9 and 13 would have remained in effect in any case. These amendments made by paragraph (5) are to go into effect upon the date of enactment of this act.

Section 4

This section requires that no person otherwise eligible for relocation assistance payments authorized by section 114 of the Housing Act of 1949 shall be denied such eligibility as a result of a major disaster.

This section would make clear the authority of the Secretary of Housing and Urban Development to authorize the making of relocation payments under the urban renewal program in certain cases to persons displaced by a major disaster. If the area of a major disaster is subsequently approved for an urban renewal project, persons who have been displaced because of the disaster may be unable to return and reoccupy property they may have owned or what remains of it, prior to the time of its acquisition. Under the amendment, relocation payments could be made in such cases without regard to whether persons displaced by the disaster are able to return to the area, provided that they are in all other respects eligible for such payments.

Section 5

This section would authorize the President to make grants to any local government, which, as a result of a major disaster has suffered a substantial loss of property tax revenue (both real and personal). The limitations placed upon these grants are: (1) They may only be made for the tax year in which disaster occurred and for each of the following two tax years. (2) The grant shall not exceed the difference between the annual average of all property tax revenues received during the three tax year period immediately preceding the tax year in which the major disaster occurred and the actual property tax revenue received for the tax year in which the disaster occurred and for each of the two succeeding tax years. (3) There must be no reduction in tax rates and tax assessment evaluation factors of the local government. If, however, there has been such a reduction, a grant may still be made for the year or years when such reduction is in effect, but, the President shall use the tax rates and tax assessment factors in effect at the time of the disaster without reduction in order to determine revenues which would have been received. These revenues will then be used in calculating the difference as the basis of determining the grant instead of the actual revenues.

Section 6

This section contains broad authority that would permit the President, if he determines that a major disaster is imminent, to use Federal departments, agencies and instrumentalities to divert or lessen the effects of a disaster before it actually occurs.

Section 7

This section directs the Director of the Office of Emergency Preparedness to study and investigate ways and means to provide effective action to prevent or lessen losses of property and personal injury or deaths which could result from forest or grass fires, earthquakes, tornadoes, freezes and frosts, tsunami, storm surges and tides and floods which are or threaten to become major disasters. The report is due not later than one year after date of enactment of the Act and is required to contain recommendations.

Section 8

Subsection (a) applies the definitions of "major disaster" and other definitions as used in the Act of September 30, 1950, as amended, (42 U.S.C. 1855A) to this Act, the Disaster Relief Act of 1969 and Section 9 of the Disaster Relief Act of 1966.

Subsection (b) would amend the Act of September 30, 1950, as amended, 42 U.S.C. 1855 (f), to include this Act, the Disaster Relief Act of 1969 and section 9 of the Disaster Relief Act of 1966 within the provision authorizing Federal agencies to accept and utilize local services and facilities of consenting States or local governments. It would also extend that Act's provision authorizing Federal agencies to employ temporary additional personnel without regard to the civil service laws. (Section 9 of the Disaster Relief Act of 1966 authorizes sums necessary to reimburse not more than 50 percent of eligible costs incurred to repair, restore or reconstruct any State, county municipality, or local government agency project for flood control, navigation, irrigation, reclamation, public power, sewage treatment, water treatment, watershed development, or airport construction.) The 1950 act would be further amended to provide that obligations may be incurred by an agency in the amount as may be made available out of funds specified to carry out this act or section 9 of the Disaster Relief Act of 1966 and the Disaster Relief Act of 1969 instead of only the funds specified under section 8 of the 1950 Act. A further amendment to section 7 of the September, 30, 1950 Act would again add this Act, section 9 of the Disaster Relief Act of 1966 and the Disaster Relief Act of 1969 to expenditures under section 3 of the 1950 act as eligible for reimbursement to a Federal agency. (Section 3 authorizes Federal assistance by utilizing or lending to States or local governments equipment, supplies, facilities, personnel and other resources.)

Section 9

This section grants the President authority to use all Federal departments or agencies to the best advantage under varying conditions to exercise the authorities granted him by this act, the act of September 30, 1950 (42 U.S.C. 1855-1855g), the Disaster Relief Act of 1966 and the Disaster Relief Act of 1969.

Section 10

This section provides that mobile homes or other readily fabricated dwellings used as temporary housing in major disasters may be sold directly to the occupants thereof at fair and equitable prices. The intent of this provision is to provide primary housing to persons who have lost their dwelling place as the result of a major disaster, not to provide secondary or recreational housing. It is intended that the purchaser would have the responsibility to provide a location where the dwelling could be placed which met current requirements of State or local zoning ordinances or other laws respecting such dwelling units, and for movement of such dwelling to that location.

Section 11

This section authorizes grants as temporary assistance in the form of mortgage or rental payments to individuals who have suffered severe financial hardship caused by a major disaster and who have received written notice of dispossession or eviction from their residence because

of foreclosure of a mortgage or lien, cancellation of a contract of sale, or termination of a lease. This assistance could be furnished for not in excess of one year or until the individual's financial hardship ended, whichever was the lesser.

Section 12

This section provides that this Act, and the amendments made by this Act, would apply to major disasters as determined by the President; to any natural disaster as determined by the Secretary of Agriculture; and to disasters as determined by the Administrator of Small Business, which disasters occur on or after December 1, 1968. A declaration by the Administrator or Secretary would make available only the benefits of the sections of this Act which each such officer administer. In any of the above mentioned types of disasters which occurred on or after December 1, 1968 and before the date of enactment of this Act, whoever is eligible for Federal disaster relief assistance as a result of such a declaration shall have the opportunity to make an election to receive benefits either under this Act (including the amendments made by this Act) or under the laws applicable to such disasters occurring prior to December 1, 1968. Each applicant who has already received benefits under PL 91-79 would have to determine whether he would accept benefits available under this Act or those Acts applicable to disasters occurring prior to December 1, 1968, but in no case will duplicate benefits be provided.

NATURAL DISASTERS DECLARED BY THE PRESIDENT WHICH OCCURRED DEC. 1, 1968, TO SEPT. 25, 1970

Contract No.	Date of declaration	Type	State	Congressional districts
253	Jan. 26, 1969	Severe storms and flooding	California	1, 2, 3, 4, 12-14, 16-35, 38.
254	Feb. 15, 1969	do	Arkansas	1-4.
255	Apr. 18, 1969	Flooding	Minnesota	1-8.
256	do	do	North Dakota	1, 2.
257	do	do	South Dakota	1, 2.
258	Apr. 19, 1969	do	Nevada	1.
259	Apr. 25, 1969	do	Iowa	1, 2, 4-7.
260	May 1, 1969	do	Wisconsin	3, 7, 10.
261	May 19, 1969	Severe storms and flooding	Colorado	1-4.
262	June 6, 1969	Flooding	Illinois	16, 19, 20.
263	July 11, 1969	Severe storms and flooding	Tennessee	4, 6.
264	do	do	Wisconsin	1-5.
265	July 15, 1969	do	Kentucky	1, 2, 5.
266	do	Tornados, severe storms, and flooding	Ohio	5, 8-11, 13, 14, 16- 23.
267	do	do	Kansas	1-5.
268	Aug. 5, 1969	Heavy rains and flooding	Minnesota	2.
269	Aug. 14, 1969	Severe storms, heavy rains, and flooding	Iowa	1-6.
270	Aug. 15, 1969	Flooding	California	12.
271	Aug. 18, 1969	Hurricane Camille	Mississippi	3, 4, 5.
272	Aug. 19, 1969	do	Louisiana	1, 6.
273	do	Severe storms and flooding	Pennsylvania	6, 11, 11, 15.
274	Aug. 23, 1969	do	Virginia	4, 5, 6, 7, 8.
275	Aug. 26, 1969	Heavy rains and flooding	New York	27.
276	Aug. 30, 1969	do	Illinois	16, 19, 20, 21, 23, 24.
277	do	Severe storms and flooding	Vermont	1.
278	Sept. 3, 1969	do	West Virginia	2, 3.
279	Sept. 24, 1969	do	do	2.
280	Nov. 7, 1969	Hurricane Camille	Alabama	1, 2.
281	Dec. 19, 1969	Heavy rains and a landslide	Alaska	1.
282	Feb. 2, 1970	Heavy snow, rains and flooding	Kentucky	5, 7.
283	Feb. 16, 1970	Severe storms and flooding	California	1, 2, 4, 8.
284	Feb. 27, 1970	Severe storms, ice jams, and flooding	Maine	1, 2.
285	Apr. 9, 1970	Tornadoes, excessive rains, and flooding	Alabama	3, 4, 5, 6.
286	May 13, 1970	Tornadoes, windstorms, and flooding	Texas	18, 19.
287	June 5, 1970	Severe storms and flooding	North Dakota	1, 2.
288	do	do	Kentucky	2, 5.
289	July 3, 1970	Heavy rains and flooding	Florida	1.
290	July 22, 1970	do	New York	27, 33, 38.
291	do	do	Minnesota	7, 8.
292	Aug. 4, 1970	Hurricane Celia	Texas	14, 23.
293	Sept. 22, 1970	Heavy rains and flooding	Colorado	4.
294	do	Heavy rains and flash flooding	Arizona	1, 3.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3 of Rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

DISASTER RELIEF ACT OF 1969

* * * * *

SEC. 6. In the administration of the disaster loan program under section 7(b)(1) of the Small Business Act, as amended (15 U.S.C. 636(b)), in the case of property loss or damage in any affected State resulting from a major disaster the Small Business Administration—

(1) to the extent such loss or damage is not compensated for by insurance or otherwise, (A) shall at the borrower's option on that part of any loan in excess of \$500 cancel (i) the interest due on the loan, or (ii) the principal of the loan, or (iii) any combination of such interest or principal except that the total amount so canceled shall not exceed \$1,800, and (B) may defer interest payments or principal payments, or both, in whole or in part, on such loan during the first three years of the term of the loan without regard to the ability of the borrower to make such payments.

(2) may grant any loan for the repair, rehabilitation, or replacement of property damaged or destroyed, without regard to whether the required financial assistance is otherwise available from private sources, except that (A) any loan made under authority of this paragraph shall bear interest at a rate equal to the average annual interest rate on all interest-bearing obligations of the United States having maturities of 20 years or more and forming a part of the public debt as computed at the end of the fiscal year next preceding the date of the loan, adjusted to the nearest one-eighth of one per centum, and (B) no part of any loan made under authority of this paragraph shall be eligible for cancellation or deferral as authorized in paragraph (1) of this section.

(3) may in the case of the total destruction or substantial property damage of a home or business concern refinance any mortgage or other liens outstanding against the destroyed or damaged property if such financing is for the repair, rehabilitation, or replacement of property damaged or destroyed as a result of such disaster and any such refinancing shall be subject to the provisions of paragraphs (1) and (2) of this section.

SEC. 6. (a) In the administration of the disaster loan program under sections 7(b) (1), (2), and (4) of the Small Business Act, as amended (15 U.S.C. 63(b)), in the case of injury, loss, or damage resulting from a major disaster as determined by the President, a natural disaster as determined by the Secretary of Agriculture, and a disaster as determined by the Administrator of the Small Business Administration—

(1) to the extent such injury, loss, or damage is not compensated for by insurance or otherwise, may grant any loan for repair, rehabilitation, or replacement of property injured, damaged, or destroyed, without regard to whether the required financial assistance is otherwise available from private sources.

(2) may, in the case of the total destruction or substantial property damage of a home or business concern, refinance any mortgage or other liens outstanding against the destroyed or damaged property if such property to is to be repaired, rehabilitated, or replaced, except that the amount refinanced shall not exceed the amount of the physical loss sustained. This clause shall apply only to loans made to cover injury, losses, and damage resulting from major disasters as determined by the President.

(3) to the extent that repayment of a loan made under this section would constitute a hardship upon the borrower, may, on that part of any loan in excess of \$500, cancel the principal of the loan, except that the total amount so canceled shall not exceed \$2,500. This clause shall apply only to loans made to cover injury, losses, and damage resulting from major disasters as determined by the President.

(4) may defer interest payments or principal payments, or both, in whole or in part, on any loan made under this section during the first three years of the term of the loan, except that any such deferred payments shall bear interest at the rate determined under subsection (b) of this section.

(b) Any loan made under this section shall not exceed the current cost of repairing or replacing the disaster injury, loss, or damage in conformity with current codes and specifications. Any such loan (including any refinancing under clause (2) and any deferred payment under clause (4) of subsection (a)) shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity of ten to twelve years reduced by not to exceed 1 per centum per annum. In no event shall any loan made under this section bear interest at a rate in excess of 6 per centum per annum.

(c) A loan under this section shall not be denied on the basis of the age of the applicant.

SEC. 7. In the administration of the emergency loan program under subtitle C of the Consolidated Farmers Home Administration Act of 1961, as amended (7 U.S.C. 1961-1967), in the case of property loss or damage in any affected State resulting from a major disaster the Secretary of Agriculture—

(1) to the extent such loss or damage is not compensated for by insurance or otherwise, (A) shall at the borrower's option on that part of any loan in excess of \$500 cancel (i) the interest due on the loan, or (ii) the principal of the loan, or (iii) any combination of such interest or principal except that the total amount so cancelled shall not exceed \$1,800, and (B) may defer interest payments or principal payments, or both, in whole or in part, on such loan during the first three years of the term of the loan without regard to the ability of the borrower to make such payments.

(2) may grant any loan for the repair, rehabilitation, or replacement of property damaged or destroyed, without regard to whether the required financial assistance is otherwise available from private sources, except that (A) any loan made under authority of this paragraph shall bear interest at a rate equal to the average annual interest rate on all interest-bearing obligations of the United States having maturities of 20 years or more and forming a part of the public debt as computed at the end of

the fiscal year next preceding the date of the loan, adjusted to the nearest one-eighth of one per centum, and (B) no part of any loan made under authority of this paragraph shall be eligible for cancellation or deferral as authorized in paragraph (1) of this section.

[(3) may in the case of the total destruction or substantial property damage of a home or business concern refinance any mortgage or other liens outstanding against the destroyed or damaged property if such financing is for the repair, rehabilitation, or replacement of property damaged or destroyed as a result of such disaster and any such refinancing shall be subject to the provisions of paragraphs (1) and (2) of this section.]

Sec. 7. (a) In the administration of the emergency loan program under subtitle C of the Consolidated Farmers Home Administration Act of 1961, as amended (7 U.S.C. 1961-1967), and the rural housing loan program under section 502 of title V of the Housing Act of 1949, as amended (42 U.S.C. 1472), in the case of loss or damage resulting from a major disaster as determined by the President, or a natural disaster as determined by the Secretary of Agriculture, the Secretary of Agriculture—

(1) to the extent such loss or damage is not compensated for by insurance or otherwise, may grant any loan for the repair, rehabilitation, or replacement of property damaged or destroyed, without regard to whether the required financial assistance is otherwise available from private sources.

(2) may, in the case of the total destruction or substantial property damage of homes or farm service buildings and related structures and equipment, refinance any mortgage or other lines outstanding against the destroyed or damaged property if such property is to be repaired, rehabilitated, or replaced, except that the amount refinanced shall not exceed the amount of the physical loss sustained. This clause shall apply only to loans made to cover losses and damage resulting from major disasters as determined by the President.

(3) to the extent that repayment of such loan made under this section would constitute a hardship upon the borrower, may, on the part of any loan in excess of \$500, cancel the principal of the loan, except that the total amount so canceled shall not exceed \$2,500. This clause shall apply only to loans made to cover losses and damage resulting from major disasters as determined by the President.

(4) may defer interest payments or principal payments, or both, in whole or in part, on loans made under this section during the first three years of the term of the loan, except that any such deferred payments shall themselves bear interest at the rate determined under subsection (b) of this section.

(b) Any loan made under this section shall not exceed the current cost of repairing or replacing the disaster loss or damage in conformity with current codes and specifications. Any such loan (including any refinancing under clause (2) and any deferred payment under clause (4) of subsection (a)) shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity of ten to twelve years reduced by not to exceed 1 per centum per annum. In no event shall any loan made under this section bear interest at a rate in excess of 6 per centum per annum.

(c) A loan under this section shall not be denied on the basis of the age of the applicant.

SEC. 8. (a) The President is authorized to provide assistance to the States in developing comprehensive plans and practicable programs for assisting individuals and local governments suffering losses as the result of a major disaster. For the purposes of this section, the term "State" includes the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, the territory of Guam, American Samoa, and the Trust Territory of the Pacific Islands.

(b) The President is authorized to make grants not to exceed \$250,000 to any State, upon application therefor, in an amount not to exceed 50 per centum of the cost of developing the plans and programs referred to in subsection (a).

[(c) Any State desiring assistance under this section shall designate or create an agency which is specially qualified to plan and administer such a disaster relief program, and shall, through such agency, submit a State plan to the President not later than December 31, 1970, which shall (1) set forth a comprehensive and detailed State program for assistance to individuals suffering losses as a result of a major disaster and (2) included provision for the appointment of a State coordinating officer to act in cooperation with the Federal coordinating officer required by section 9 of this Act.]

(1) Any State desiring assistance under this section shall designate or create an agency which is specifically qualified to plan and administer a disaster relief program, and shall, through such agency, submit a State plan to the President, which shall (1) set forth a comprehensive and detailed State program for assistance to individuals and to local governments suffering losses as a result of a major disaster and (2) include provisions for the appointment of a State coordinating officer.

(d) The President shall prescribe such rules and regulations as he deems necessary for the effective coordination and administration of this section.

(e) Upon the submission of such plans the President is authorized to report and recommend to the Congress, from time to time, programs for the Federal role in the implementation and funding of comprehensive disaster relief plans, and such other recommendations relating to the Federal role in disaster relief activities as he deems warranted.

(f) The President is authorized to make grants not to exceed 50 per centum of the cost of improving, maintaining, and updating State disaster assistance plans, except that no such grant shall exceed \$25,000 per annum to any State.

* * * * *

[(Sec. 14. The President, whenever he determines it to be in the public interest, and acting through the Director of the Office of Emergency Preparedness, is authorized to make grants to any State or political subdivision thereof for the purpose of removing debris deposited on privately owned lands and on or in privately owned waters as a result of a major disaster, and such State or political subdivision is authorized, upon application, to make payments to any person for reimbursement of expenses actually incurred by such person in the removal of such debris, but not to exceed the amount that such expenses exceed the salvage value of such debris.)]

SEC. 14. (a) *The President, whenever he determines it to be in the public interest, is authorized—*

(1) *through the use of Federal departments, agencies, and instrumentalities, to clear debris and wreckage resulting from a major disaster from publicly and privately owned lands and waters.*

(2) *to make grants to any State or local government for the purpose of removing debris or wreckage resulting from a major disaster from publicly or privately owned lands and waters.*

(b) *No authority under this section shall be exercised unless the affected State or local government shall first arrange an unconditional authorization for removal of such debris or wreckage from public and private property, and, in the case of removal of debris or wreckage from private property, shall first agree to indemnify the Federal Government against any claim arising from such removal.*

SEC. 15. (a) As used in this Act the term "major disaster" means a major disaster as determined by the President pursuant to the Act entitled "An Act to authorize Federal assistance to States and local governments in major disasters, and for other purposes", approved September 30, 1950, as amended (42 U.S.C. 1855-1855g), which disaster occurred after June 30, 1967, and on or before December 31, 1970.]

[(b) This Act, other than sections 5, 8, 9, and 13, shall not be in effect after December 31, 1970, except as is applies to major disasters occurring before such date.]

(b) *Sections 2, 4, and 10 of this Act shall not be in effect after December 31, 1970.*

* * * * *

ACT OF SEPTEMBER 30, 1950

* * * * *

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That it is the intent of Congress to provide an orderly and continuing means of assistance by the Federal Government to States and local governments in carrying out their responsibilities to alleviate suffering and damage resulting from major disasters, to repair [essential] public facilities in major disasters, and to foster the development of such State and local organizations and plans to cope with major disasters as may be necessary.

SEC. 2. As used in this Act, the following terms shall be construed as follows unless a contrary intent appears from the context:

(a) "Major disaster" means any flood, drought, fire, hurricane, earthquake, storm, or other catastrophe in any part of the United States which, in the determination of the President, is or threatens to be of sufficient severity and magnitude to warrant disaster assistance by the Federal Government to supplement the efforts and available resources of States and local governments in alleviating the damage, hardship, or suffering caused thereby, and respecting which the governor of any State [(or the Board of Commissioners of the District of Columbia)] in which such catastrophe may occur or threaten certifies the need for [disaster assistance under this Act] *Federal disaster assistance*, and shall give assurance of expenditure of a

reasonable amount of the funds of the government of such State, local governments therein, or other agencies, for the same or similar purposes with respect to such catastrophe;

(b) "United States" includes the District of Columbia, Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Trust Territory of the Pacific Islands;

(c) "State" means any State in the United States, Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Trust Territory of the Pacific Islands [.] *, and the District of Columbia*;

(d) "Governor" means the chief executive of any State;

(e) "Local government" means any county, city, village, town, district, or other political subdivision of any State, [or the District of Columbia] and includes any rural community or unincorporated town or village for which an application for assistance is made by a State or local government or governmental agency;

(f) "Federal agency" means any department, independent establishment, Government corporation, or other agency of the executive branch of the Federal Government, excepting, however, the American National Red Cross.

SEC. 3. In any major disaster, Federal agencies are hereby authorized when directed by the President to provide assistance (a) by utilizing or lending, with or without compensation therefor, to States and local governments their equipment, supplies, facilities, personnel, and other resources, other than the extension of credit under the authority of any Act; (b) by distributing, through the American National Red Cross, *the Salvation Army*, or otherwise, medicine, food, and other consumable supplies; (c) by donating or lending equipment and supplies, determined under then existing law to be surplus to the needs and responsibilities of the Federal Government, to States for use or distribution by them for the purposes of the Act including the restoration of public facilities damaged or destroyed in such major disaster and essential rehabilitation of individuals in need as the result of such major disaster; [(d) by performing on public or private lands protective and other work essential for the preservation of life and property, clearing debris and wreckage, making emergency repairs to and temporary replacements of public facilities of States and local governments damaged or destroyed in such major disaster, providing temporary housing or other emergency shelter for families who, as a result of such major disaster, require temporary housing or other emergency shelter, and making contributions to States and local governments for purposes stated in subsection (d)] *(d) by performing on public or private lands protective, emergency, and other work essential for the preservation of life and property; making repairs to and replacements of public facilities (including street, road, and highway facilities) of States and local governments damaged or destroyed in such major disaster, except that the Federal contributions therefor shall not exceed the net cost of restoring each such facility on the basis of the design of such facility as it existed immediately prior to the disaster in conformity with current codes, specifications, and standards; providing temporary housing or other emergency shelter, including, but not limited to, mobile homes or other readily fabricated dwellings for those who, as a result of such major disaster, require temporary housing or other emergency shelter, except that for the first twelve months of occupancy no rentals shall be established for any such accommodations, thereafter*

rentals shall be established, based upon fair market value of the accommodations being furnished, adjusted to take into consideration the financial ability of the occupant; and making contributions to States and local governments for the purposes stated in this clause. The authority conferred by this Act, and any funds provided hereunder shall be supplementary to, and not in substitution for, nor in limitation of, any other authority conferred or funds provided under any other law. Any funds received by Federal agencies as reimbursement for services or supplies furnished under the authority of this section shall be deposited to the credit of the appropriation or appropriations currently available for such services or supplies. The Federal Government shall not be liable for any claim based upon the exercise or performance or the failure to exercise or perform a discretionary function or duty on the part of a Federal agency or an employee of the Government in carrying out the provisions of this section.

* * * * *

SEC. 7. In carrying out the purposes of this Act, and section 9 of the Disaster Relief Act of 1966, the Disaster Relief Act of 1969, and the Disaster Relief Act of 1970, any Federal agency is authorized to accept and utilize with the consent of any State or local government, the services and facilities of such State or local government, or of any agencies, officers, or employees thereof. Any Federal agency, in performing any activities under section 3 of this Act, and section 9 of the Disaster Relief Act of 1966, the Disaster Relief Act of 1969, and the Disaster Relief Act of 1970, is authorized to employ temporarily additional personnel without regard to the civil-service laws and the Classification Act of 1923, as amended, and to incur obligations on behalf of the United States by contract or otherwise for the acquisition, rental, or hire of equipment, services, materials, and supplies for shipping, drayage, travel and communication, and for the supervision and administration of such activities. Such obligations, including obligations arising out of the temporary employment of additional personnel, may be incurred by any agency in such amount as may be made available to it by the President out of the funds [specified in section 8.] available to carry out this Act, section 9 of the Disaster Relief Act of 1966, the Disaster Relief Act of 1969, and the Disaster Relief Act of 1970. The President may, also, out of such funds, reimburse any Federal agency for any of its expenditures under section 3 of this Act, section 9 of the Disaster Relief Act of 1966, the Disaster Relief Act of 1969, and the Disaster Relief Act of 1970, in connection with a major disaster, such reimbursement to be in such amounts as the President may deem appropriate.

* * * * *





Union Calendar No. 734

91st CONGRESS
2d SESSION

S. 3619

[Report No. 91-1524]

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 10, 1970

Referred to the Committee on Public Works

SEPTEMBER 29, 1970

Reported with an amendment, committed to the Committee of the Whole House
on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in italic]

AN ACT

To revise and expand Federal programs for relief from the effects
of major disasters, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 *That this Act may be cited as the "Disaster Assistance Act*
4 *of 1970".*

5 **TITLE I—FINDINGS AND DECLARATIONS;**

6 **DEFINITIONS**

7 **FINDINGS AND DECLARATIONS**

8 SEC. 101. (a) The Congress hereby finds and declares
9 that—

10 (1) because loss of life, human suffering, loss of in-
11 come, and property loss and damage result from major

1 disasters such as hurricanes, tornadoes, storms, floods,
2 high waters, wind-driven waters, tidal waves, earth-
3 quakes, droughts, fires, and other catastrophes; and

4 (2) because such disasters disrupt the normal func-
5 tioning of government and the community, and ad-
6 versely affect individual persons and families with great
7 severity;

8 special measures, designed to expedite the rendering of aid,
9 assistance, and emergency welfare services, and the recon-
10 struction and rehabilitation of devastated areas, are neces-
11 sary.

12 (b) It is the intent of the Congress, by this Act, to
13 provide an orderly and continuing means of alleviating the
14 suffering and damage which result from such disasters by

15 (1) revising and broadening the scope of existing
16 major disaster relief programs;

17 (2) encouraging the development of comprehensive
18 disaster relief plans, programs, and organizations by the
19 States; and

20 (3) achieving greater coordination and responsive-
21 ness of Federal major disaster relief programs.

22 DEFINITIONS

23 SEC. 102. As used in this Act—

24 (1) “major disaster” means any hurricane, tor-
25 nado, storm, flood, high water, wind-driven water, tidal

1 wave, earthquake, drought, fire, or other catastrophe in
2 any part of the United States, which in the determina-
3 tion of the President, is or threatens to be of sufficient
4 severity and magnitude to warrant disaster assistance by
5 the Federal Government to supplement the efforts and
6 available resources of States, local governments, and
7 relief organizations in alleviating the damage, loss, hard-
8 ship, or suffering caused thereby, and with respect to
9 which the Governor of any State in which such catas-
10 trophe occurs or threatens to occur certifies the need for
11 disaster assistance under this Act and gives assurance
12 of the expenditure of a reasonable amount of the funds
13 of such State, its local governments, or other agencies
14 for alleviating the damage, loss, hardship or suffering
15 resulting from such catastrophe;

16 (2) "United States" means the fifty States, the
17 District of Columbia, Puerto Rico, the Virgin Islands,
18 Guam, American Samoa, and the Trust Territory of the
19 Pacific Islands;

20 (3) "State" means any State of the United States,
21 the District of Columbia, Puerto Rico, the Virgin Is-
22 lands, Guam, American Samoa, or the Trust Territory
23 of the Pacific Islands;

24 (4) "Governor" means the chief executive of any
25 State;

7 (6) "Federal agency" means any department, in-
8 dependent establishment, Federal corporation, or other
9 agency of the executive branch of the Federal Govern-
10 ment, except the American National Red Cross; and
11 (7) "Director" means the Director of the Office of
12 Emergency Preparedness.

~~TITLE II—THE ADMINISTRATION OF DISASTER ASSISTANCE~~

15 ~~PART A GENERAL PROVISIONS~~

16 FEDERAL COORDINATING OFFICER

17 SEC. 201. (a) The President shall appoint, immediately
18 upon his designation of a major disaster area, a Federal
19 coordinating officer to operate under the Office of Emergency
20 Preparedness in such area.

21 (b) In order to effectuate the purposes of this Act, the
22 coordinating officer, within the designated area, shall
23 (1) make an initial appraisal of the types of relief
24 most urgently needed;

1 (2) establish such field offices as he deems necessary
2 and as are authorized by the Director;

3 (3) coordinate the administration of relief, includ-
4 ing activities of the American National Red Cross and
5 of other relief organizations which agree to operate
6 under his advice or direction; and

7 (4) take such other action, consistent with authority
8 delegated to him by the Director, and consistent with
9 the provisions of this Act, as he may deem necessary to
10 assist local citizens and public officials in promptly ob-
11 taining assistance to which they are entitled.

12 **EMERGENCY SUPPORT TEAMS**

13 SEC. 202. The Director is authorized to form emergency
14 support teams of personnel to be deployed in a major disaster
15 area. Such emergency support teams shall assist the Federal
16 coordinating officer in carrying out his responsibilities pursu-
17 ant to section 201 (b) of this Act.

18 **COOPERATION OF FEDERAL AGENCIES**

19 SEC. 203. (a) In any major disaster, Federal agencies
20 are hereby authorized, on direction of the President, to pro-
21 vide assistance by—

22 (1) utilizing or lending, with or without compen-
23 sation therefor, to States and local governments, their
24 equipment, supplies, facilities, personnel, and other re-

1 sources, other than the extension of credit under the
2 authority of any Act;

3 (2) distributing or rendering, through the Ameri-
4 can National Red Cross, other relief and disaster assist-
5 ance organizations, or otherwise, medicine, food, and
6 other consumable supplies, or emergency assistance;

7 (3) donating or lending equipment and supplies
8 determined in accordance with applicable laws to be
9 surplus to the needs and responsibilities of the Federal
10 Government; and

11 (4) performing on public or private lands or waters
12 any emergency work essential for the protection and
13 preservation of life and property, including—

14 (A) clearing and removing debris and wreck-
15 age;

16 (B) making repairs to, or restoring to service,
17 public facilities, belonging to State or local govern-
18 ments, which were damaged or destroyed by a major
19 disaster except that the Federal contribution therefor
20 shall not exceed the net cost of restoring such facili-
21 ties to their capacity prior to such disaster;

22 (C) providing emergency shelter for individ-
23 uals and families who, as a result of a major dis-
24 aster, require such assistance; and

25 (D) making contributions to State or local

1 governments for the purpose of carrying out the
2 provisions of paragraph (4).

3 (b) Emergency work performed under subsection (a)
4 (4) of this section shall not preclude Federal assistance
5 under any other section of this Act.

6 (c) Federal agencies may be reimbursed for expendi-
7 tures under section 203 (a) from funds appropriated for the
8 purposes of this Act. Any funds received by Federal agen-
9 cies as reimbursement for services or supplies furnished under
10 the authority of this section shall be deposited to the credit
11 of the appropriation or appropriations currently available
12 for such services or supplies.

13 (d) The Federal Government shall not be liable for
14 any claim based upon the exercise or performance or the
15 failure to exercise or perform a discretionary function or duty
16 on the part of a Federal agency or an employee of the
17 Federal Government in carrying out the provisions of this
18 section.

19 (e) Any Federal agency designated by the President
20 to exercise authority under this Act may establish such
21 special groups, interdepartmental or otherwise, as it deems
22 appropriate to assist in carrying out the provisions of law
23 relating to Federal disaster preparedness and assistance, and
24 the funds of any such agency may be utilized for the neces-
25 sary expenses of any group so established.

1 (f) In carrying out the purposes of this Act, any Fed-
2 eral agency is authorized to accept and utilize the services or
3 facilities of any State or local government, or of any agency,
4 office, or employee thereof, with the consent of such govern-
5 ment. Any Federal agency, in performing any activities
6 under this section, is authorized to appoint and fix the com-
7 pensation of such temporary personnel as may be necessary,
8 without regard to the provisions of title 5, United States
9 Code, governing appointments in the competitive service,
10 and without regard to the provisions of chapter 51 and sub-
11 chapter III of such title relating to classification and General
12 Schedule pay rates, to employ experts and consultants in
13 accordance with the provisions of section 3109 of such title,
14 and to incur obligations on behalf of the United States by
15 contract or otherwise for the acquisition, rental, or hire of
16 equipment, services, materials, and supplies for shipping,
17 drayage, travel, and communication, and for the supervision
18 and administration of such activities. Such obligations, in-
19 cluding obligations arising out of the temporary employment
20 of additional personnel, may be incurred by an agency in
21 such amount as may be made available to it by the President.

22 (g) In the interest of providing maximum mobilization
23 of Federal assistance under this Act, the President is au-
24 thorized to coordinate in such manner as he may determine

1 the activities of Federal agencies in providing disaster assist-
2 ance. The President may direct any Federal agency to utilize
3 its available personnel, equipment, supplies, facilities, and
4 other resources in accordance with the authority herein con-
5 tained. The President may prescribe such rules and regula-
6 tions as may be necessary and proper to carry out any of the
7 provisions of this Act, and he may exercise any power or
8 authority conferred on him by any section of this Act either
9 directly or through such Federal agency as he may designate.

10 (h) The President, acting through the Office of Emer-
11 gency Preparedness, shall conduct periodic reviews (at least
12 annually) of the activities of Federal and State departments
13 or agencies providing disaster assistance, in order to assure
14 maximum coordination of such programs, and to evaluate
15 progress being made in the development of Federal, State,
16 and local preparedness to cope with major disasters.

17 USE OF LOCAL FIRMS AND INDIVIDUALS

18 SEC. 204. In the expenditure of Federal funds for debris
19 clearance, distribution of supplies, reconstruction, and other
20 major disaster assistance activities which may be carried out
21 by contract with private organizations, firms, or individuals,
22 preference shall be given, to the extent feasible and practica-
23 ble, to those organizations, firms, and individuals who reside
24 or do business primarily in the disaster area.

1 **FEDERAL GRANT-IN-AID PROGRAMS**

2 ~~Sec. 205.~~ Any Federal agency charged with the admin-
3 istration of a Federal grant-in-aid program is authorized, if
4 so requested by the applicant State or local authorities, to
5 modify or waive, for the duration of a major disaster procla-
6 mation, such conditions for assistance as would otherwise pre-
7 vent the giving of assistance under such programs if the
8 inability to meet such conditions is a result of the disaster.

9 **STATE DISASTER PLANS**

10 ~~Sec. 206.~~ (a) The President is authorized to provide
11 assistance to the States in developing comprehensive plans
12 and practicable programs for preparation against major dis-
13 asters, and for relief and assistance for individuals, busi-
14 nesses, and local governments following such disasters. Such
15 plans should include long-range recovery and reconstruction
16 assistance plans for seriously damaged or destroyed public
17 and private facilities.

18 (b) The President is authorized to make grants of not
19 more than \$250,000 to any State, upon application therefor,
20 for not to exceed 50 per centum of the cost of developing such
21 plans and programs.

22 (c) Any State desiring assistance under this section
23 shall designate or create an agency which is specially quali-
24 fied to plan and administer such a disaster relief program,

1 and shall, through such agency, submit a State plan to the
2 President, which shall—

3 (1) set forth a comprehensive and detailed State
4 program for preparation against, and relief following, a
5 major disaster, including provisions for emergency and
6 long term assistance to individuals, businesses, and local
7 governments; and

8 (2) include provision for the appointment of a State
9 coordinating officer to act in cooperation with the Fed-
10 eral coordinating officer appointed under section 201 of
11 this Act.

12 (d) From time to time the Director shall make a report
13 to the President, for submission to the Congress, containing
14 his recommendations for programs for the Federal role
15 in the implementation and funding of comprehensive disaster
16 relief plans, and such other recommendations relating to
17 the Federal role in disaster relief activities as he deems
18 warranted.

19 (e) The President is authorized to make grants not to
20 exceed \$25,000 per annum to any State in an amount not to
21 exceed 50 per centum of the cost for the purpose of im-
22 proving, maintaining, and updating that State's disaster
23 assistance plans.

1 ~~USE AND COORDINATION OF RELIEF ORGANIZATIONS~~

2 SEC. 207. (a) In providing relief and assistance fol-
3 lowing a major disaster, the Director may utilize, with their
4 consent, the personnel and facilities of the American National
5 Red Cross, the Salvation Army, the Mennonite Board of Mis-
6 sions and Charities, and other relief or disaster assistance
7 organizations, in the distribution of medicine, food, supplies,
8 or other items, and in the restoration, rehabilitation, or re-
9 construction of community services and essential facilities,
10 whenever the Director finds that such utilization is necessary.

11 (b) The Director is authorized to enter into agreements
12 with the American National Red Cross and other relief
13 or disaster assistance organizations under which the disaster
14 relief activities of such organizations may be coordinated
15 by the Federal coordinating officer whenever such organiza-
16 tions are engaged in providing relief during and after a
17 major disaster. Any such agreement shall include provisions
18 conditioning use of the facilities of the Office of Emergency
19 Preparedness and the services of the coordinating officer upon
20 compliance with regulations promulgated by the Director un-
21 der sections 208 and 209 of this Act, and such other regula-
22 tions as the Director may require.

23 ~~DUPLICATION OF BENEFITS~~

24 SEC. 208. (a) The Director, in consultation with the
25 head of each Federal agency administering any program pro-

1 ~~viding financial assistance to persons, business concerns, or~~
2 ~~other entities suffering losses as the result of a major disaster,~~
3 ~~shall assure that no such person, business concern, or other~~
4 ~~entity will receive such assistance with respect to any part~~
5 ~~of such loss as to which he has received financial assistance~~
6 ~~under any other program.~~

7 (b) ~~The Director shall assure that no person, business~~
8 ~~concern, or other entity receives any Federal assistance for~~
9 ~~any part of a loss suffered as the result of a major disaster if~~
10 ~~such person, concern, or entity received compensation from~~
11 ~~insurance or any other source for that part of such a loss.~~
12 ~~Partial compensation for a loss or a part of a loss resulting~~
13 ~~from a major disaster shall not preclude additional Federal~~
14 ~~assistance for any part of such a loss not compensated~~
15 ~~otherwise.~~

16 (e) ~~Whenever the Director determines (1) that a per-~~
17 ~~son, business concern, or other entity has received assist-~~
18 ~~ance under this Act for a loss and that such person, busi-~~
19 ~~ness concern or other entity received assistance for the same~~
20 ~~loss from another source, and (2) that the amount received~~
21 ~~from all sources exceeded the amount of the loss, he shall~~
22 ~~direct such person, business concern, or other entity to pay~~
23 ~~to the Treasury an amount, not to exceed the amount of~~
24 ~~Federal assistance received, sufficient to reimburse the Fed-~~

1 eral Government for that part of the assistance which he
2 deems excessive.

3 ~~NONDISCRIMINATION IN DISASTER ASSISTANCE~~

4 SEC. 209. (a) The Director shall issue, and may alter
5 and amend, such regulations as may be necessary for the
6 guidance of personnel carrying out emergency relief func-
7 tions at the site of a major disaster. Such regulations shall
8 include provisions for insuring that the distribution of sup-
9 plies, the processing of applications, and other relief and
10 assistance activities shall be accomplished in an equitable and
11 impartial manner, without discrimination on the grounds of
12 race, color, religion, nationality, sex, age, or economic status
13 prior to a major disaster.

14 (b) As a condition of participation in the distribution
15 of assistance or supplies under section 207, relief organiza-
16 tions shall be required to comply with regulations relating
17 to nondiscrimination promulgated by the Director, and such
18 other regulations applicable to activities within a major dis-
19 aster area as he deems necessary for the effective coordina-
20 tion of relief efforts.

21 ~~ADVISORY PERSONNEL~~

22 SEC. 210. The Director is authorized to assign advisory
23 personnel to the chief executive officer of any State or local
24 government within a major disaster area, upon request by
25 such officer, whenever the Director determines that such

1 assignment is desirable in order to insure full utilization of
2 relief and assistance resources and programs.

3 ~~DISASTER WARNINGS~~

4 ~~SEC. 211. The President is authorized to utilize or to~~
5 ~~make available to Federal, State, and local agencies the facil-~~
6 ~~ties of the civil defense communications system established~~
7 ~~and maintained pursuant to section 201 (e) of the Federal~~
8 ~~Civil Defense Act of 1950, as amended (50 U.S.C. app.~~
9 ~~2281 (e)), for the purpose of providing needed warning to~~
10 ~~governmental authorities and the civilian population in areas~~
11 ~~endangered by imminent major disasters.~~

12 ~~PART B EMERGENCY RELIEF~~

13 ~~PREDISASTER ASSISTANCE~~

14 ~~SEC. 221. To avert or lessen the effects of a major dis-~~
15 ~~aster, the President is authorized, without declaring a major~~
16 ~~disaster, to utilize Federal resources in providing disaster~~
17 ~~assistance to any State to assist such State or any local gov-~~
18 ~~ernment thereof in circumstances which clearly indicate the~~
19 ~~imminent occurrence of a major disaster.~~

20 ~~EMERGENCY COMMUNICATIONS~~

21 ~~SEC. 222. The Director is authorized to establish emer-~~
22 ~~gency communications in any major disaster area in order~~
23 ~~to carry out the functions of his office, and to make such~~
24 ~~communications available to State and local government~~
25 ~~officials and other persons as he deems appropriate.~~

1 ~~EMERGENCY PUBLIC TRANSPORTATION~~

2 ~~SEC. 223. The Director is authorized to provide public~~
3 ~~transportation service to meet emergency needs in a major~~
4 ~~disaster area. Such service will provide transportation to~~
5 ~~governmental offices, supply centers, stores, post offices,~~
6 ~~schools, major employment centers, and such other places as~~
7 ~~may be necessary in order to enable the community to resume~~
8 ~~its normal pattern of life as soon as possible.~~

9 ~~DEBRIS REMOVAL GRANTS~~

10 ~~SEC. 224. The President, whenever he determines it to~~
11 ~~be in the public interest, is authorized to make grants to any~~
12 ~~State or local government for the purpose of removing debris~~
13 ~~on privately owned lands or waters as a result of a major~~
14 ~~disaster, and is authorized to make payments through such~~
15 ~~State or local government for the removal of debris from~~
16 ~~community areas which may include the private property of~~
17 ~~an individual. No benefit will be available under this sec-~~
18 ~~tion unless such State or local government arranges un-~~
19 ~~conditional authorization for removal of debris from such~~
20 ~~property and agrees to indemnify the Federal Government~~
21 ~~against any claims arising from such debris removal.~~

22 ~~FIRE SUPPRESSION GRANTS~~

23 ~~SEC. 225. The President is authorized to provide assist-~~
24 ~~ance, including grants, to any State for the suppression of~~
25 ~~any fire on publicly or privately owned forest or grassland~~

1 which threatens such destruction as would constitute a major
2 disaster.

3 **TEMPORARY HOUSING ASSISTANCE**

4 ~~SEC. 226. (a) The Director is authorized to provide on-~~
5 ~~a temporary basis, as prescribed in this section, dwelling~~
6 ~~accommodations for individuals and families who, as a result~~
7 ~~of a major disaster, are in need of assistance by (1) using~~
8 ~~any unoccupied housing owned by the United States under~~
9 ~~any program of the Federal Government, (2) arranging~~
10 ~~with a local public housing agency for using unoccupied pub-~~
11 ~~lie housing units, or (3) acquiring existing dwellings or~~
12 ~~mobile homes or other readily fabricated dwellings, by pur-~~
13 ~~chase or lease. Notwithstanding any other provision of law,~~
14 ~~any existing dwellings, mobile homes, or readily fabricated~~
15 ~~dwellings acquired by purchase may be sold directly to in-~~
16 ~~dividuals and families who are occupants of such temporary~~
17 ~~accommodations at prices that are fair and equitable. Any~~
18 ~~mobile home or readily fabricated dwelling shall be placed~~
19 ~~on a site complete with utilities provided by State or local~~
20 ~~government, or by the owner or occupant of the site who was~~
21 ~~displaced by the major disaster, without charge to the United~~
22 ~~States. However, the Director may elect to provide other~~
23 ~~more economical and accessible sites at Federal expense~~
24 ~~when he determines such action to be in the public interest.~~

1 (b) After the initial ninety days of occupancy without
2 charge, rentals shall be established for such accommodations,
3 under such rules and regulations as the Director may pre-
4 scribe, taking into account the financial resources of the oc-
5 cupant. In case of financial hardship, rentals may be com-
6 promised, adjusted, or waived for a period not to exceed
7 twelve months from the date of occupancy, but in no case
8 shall any such individual or family be required to incur a
9 monthly housing expense (including any fixed expense relat-
10 ing to the amortization of debt owing on a house destroyed
11 or damaged in a major disaster) which is in excess of 25 per-
12 centum of the monthly income of the occupant or occupants.

13 (e) The Director is further authorized to provide assist-
14 ance on a temporary basis in the form of mortgage or rental
15 payments to or on behalf of individuals and families who, as
16 a result of financial hardship caused by a major disaster,
17 have received written notice of dispossession or eviction from
18 a residence by reason of foreclosure of any mortgage or lien,
19 cancellation of any contract of sale, or termination of any
20 lease, oral or written. Such assistance shall be provided for a
21 period of not to exceed one year or for the duration of the
22 period of financial hardship, whichever is the lesser. The Di-
23 rector shall, for the purposes of this subsection and in further-
24 ance of the purposes of section 240 of this Act, provide re-

1 employment assistance services to individuals who are unem-
2 ployed as a result of a major disaster.

3 ~~PART C—RECOVERY ASSISTANCE~~

4 ~~SMALL BUSINESS DISASTER LOANS~~

5 SEE. 231. (a) In the administration of the disaster loan
6 program under section 7(b)(1) of the Small Business Act,
7 as amended (15 U.S.C. 636(b)), in the case of property
8 loss or damage resulting from a major disaster as determined
9 by the President or a disaster as determined by the Adminis-
10 trator, the Small Business Administration—

11 (1) to the extent such loss or damage is not com-
12 pensated for by insurance or otherwise, (A) shall, on
13 that part of any loan in excess of \$500, cancel the
14 principal of the loan, except that the total amount so
15 canceled shall not exceed \$2,500, and (B) may defer in-
16 terest payments or principal payments, or both, in whole
17 or in part, on such loan during the first three years of
18 the term of the loan without regard to the ability of the
19 borrower to make such payments;

20 (2) may make any loan for the repair, rehabilita-
21 tion, or replacement of property damaged or destroyed,
22 without regard to whether the required financial assist-
23 ance is otherwise available from private sources; and

24 (3) in the case of the total destruction of, or sub-

1 substantial property damage to, a home or business con-
2 cern, may refinance any mortgage or other liens outstand-
3 ing against the destroyed or damaged property if such
4 refinancing is for the repair, rehabilitation, or replace-
5 ment of property damaged or destroyed as a result of
6 such disaster and any such refinancing shall be subject
7 to the provisions of clauses (1) and (2) of this sub-
8 section.

9 (b) Section 7 of the Small Business Act is amended—
10 (1) by revising paragraph (2) of subsection (b)
11 to read as follows:

12 “(2) to make such loans (either directly or
13 in cooperation with banks or other lending institu-
14 tions through agreements to participate on an im-
15 mediate or deferred basis) as the Administration
16 may determine to be necessary or appropriate to
17 any small business concern located in an area af-
18 feeted by a disaster, if the Administration deter-
19 mines that the concern has suffered a substantial
20 economic injury as a result of such disaster;”;
21 (2) by striking from the second sentence of sub-
22 section (b) the following: “meeting the requirements of
23 clause (A) or (B) of paragraph (2) of this subsec-
24 tion;”; and
25 (3) by striking from subsection (f) the following:

1 “in the case of property loss or damage as the result of
2 a disaster which is a ‘major disaster’ as defined in section
3 2(a) of the Act of September 30, 1950 (42 U.S.C.
4 1855a (a)),”.

5 FARMERS HOME ADMINISTRATION EMERGENCY LOANS

6 SEC. 232. In the administration of the emergency loan
7 program under subtitle C of the Consolidated Farmers Home
8 Administration Act of 1961, as amended (7 U.S.C. 1961–
9 1967), and the rural housing loan program under section
10 502 of title V of the Housing Act of 1949, as amended (42
11 U.S.C. 1472), in the case of loss or damage, resulting from
12 a major disaster, to property, including household furnish-
13 ings, the Secretary of Agriculture—

14 (1) to the extent such loss or damage is not com-
15 pensated for by insurance or otherwise, (A) shall, on
16 that part of any loan in excess of \$500, cancel the prin-
17 cipal of the loan, except that the total amount so can-
18 celled shall not exceed \$2,500, and (B) may defer
19 interest payments or principal payments, or both, in
20 whole or in part, on such loan during the first three
21 years of the term of the loan without regard to the ability
22 of the borrower to make such payments;

23 (2) may grant any loan for the repair, rehabilita-
24 tion, or replacement of property damaged or destroyed,

1 without regard to whether the required financial assist-
2 ance is otherwise available from private sources; and
3 (3) in the case of the total destruction of, or
4 substantial property damage to a home or business con-
5 cern may refinance any mortgage or other liens outstand-
6 ing against the destroyed or damaged property if such
7 refinancing is for the repair, rehabilitation, or replace-
8 ment of property damaged or destroyed as a result of
9 such disaster and any such refinancing shall be subject
10 to the provisions of clauses (1) and (2) of this section.

11 LOANS HELD BY THE VETERANS' ADMINISTRATION

12 SEC. 233. (1) Section 1820 (a) (2) of title 38, United
13 States Code, is amended to read as follows:

14 “(2) subject to specific limitations in this chapter,
15 consent to the modification, with respect to rate of in-
16 terest, time of payment of principal or interest or any
17 portion thereof, security or other provisions of any note,
18 contract, mortgage or other instrument securing a loan
19 which has been guaranteed, insured, made or acquired
20 under this chapter;”

21 (2) Section 1820 (f) of title 38, United States Code, is
22 amended to read as follows:

23 “(f) Whenever loss, destruction, or damage to any
24 residential property securing loans guaranteed, insured, made,
25 or acquired by the Administrator under this chapter occurs

1 as the result of a major disaster as determined by the Presi-
2 dent under the Disaster Assistance Act of 1970, the Admin-
3 istrator shall (1) provide counseling and such other service
4 to the owner of such property as may be feasible and shall
5 inform such owner concerning the disaster assistance avail-
6 able from other Federal agencies and from State or local
7 agencies, and (2) pursuant to subsection (a) (2) of this
8 section, extend on an individual case basis such forbearance
9 or indulgence to such owner as the Administrator determines
10 to be warranted by the facts of the case and the circum-
11 stances of such owner."

12 ~~DISASTER LOAN INTEREST RATES~~

13 SEC. 234. (a) Any loan made under the authority of
14 sections 231, 232, 236(b), 237, or 241 of this Act shall
15 bear interest at a rate determined by the Secretary of the
16 Treasury, taking into consideration the current average
17 market yield on outstanding marketable obligations of the
18 United States with remaining periods of maturity of ten to
19 twelve years less not to exceed 2 per centum per annum.

20 (b) The next to the last sentence of section 7 (b) of the
21 Small Business Act is amended by striking out all that fol-
22 lows "exceed" and inserting in lieu thereof the following:
23 "a rate determined by the Secretary of the Treasury taking
24 into consideration the current average market yield on out-
25 standing marketable obligations of the United States with

1 remaining periods of maturity of ten to twelve years less not
2 to exceed 2 per centum per annum."

3 ~~AGE OF APPLICANT FOR LOANS~~

4 ~~SEC. 235. In the administration of any Federal disaster~~
5 ~~loan program under the authority of sections 231, 232, or~~
6 ~~233 of this Act, the age of any adult loan applicant shall~~
7 ~~not be considered in determining whether such loan should~~
8 ~~be made or the amount of such loan.~~

9 ~~FEDERAL LOAN ADJUSTMENTS~~

10 ~~SEC. 236. (a) In addition to the loan extension au-~~
11 ~~thority provided in section 12 of the Rural Electrification~~
12 ~~Act, the Secretary of Agriculture is authorized to adjust and~~
13 ~~readjust the schedules for payment of principal and interest~~
14 ~~on loans to borrowers under programs administered by the~~
15 ~~Rural Electrification Administration, and to extend the~~
16 ~~maturity date of any such loan to a date not beyond forty~~
17 ~~years from the date of such loan where he determines such~~
18 ~~action is necessary because of the impairment of the eco-~~
19 ~~nomic feasibility of the system, or the loss, destruction, or~~
20 ~~damage of the property of such borrowers as a result of a~~
21 ~~major disaster.~~

22 ~~(b) The Secretary of Housing and Urban Development~~
23 ~~is authorized to refinance any note or other obligation which~~
24 ~~is held by him in connection with any loan made by the~~
25 ~~Department of Housing and Urban Development or its~~

1 predecessor in interest, or which is included within the re-
2 volving fund for liquidating programs established by the
3 Independent Offices Appropriation Act of 1955, where he
4 finds such refinancing necessary because of the loss, destruc-
5 tion, or damage (as a result of a major disaster) to property
6 or facilities securing such obligations. The Secretary may
7 authorize a suspension in the payment of principal and
8 interest charges on, and an additional extension in the
9 maturity of, any such loan for a period not to exceed five
10 years if he determines that such action is necessary to avoid
11 severe financial hardship.

12 ~~AID TO MAJOR SOURCES OF EMPLOYMENT~~

13 SEC. 237. (a) The Small Business Administration in
14 the case of a nonagricultural enterprise, and the Farmers
15 Home Administration in the case of an agricultural enter-
16 prise, are authorized to provide any industrial, commercial,
17 agricultural, or other enterprise, which has constituted a
18 major source of employment in an area suffering a major
19 disaster and which is no longer in substantial operation as
20 a result of such disaster, a loan in such amount as may be
21 necessary to enable such enterprise to resume operations
22 in order to assist in restoring the economic viability of the
23 disaster area. Loans authorized by this section shall be made
24 without regard to limitations on the size of loans which

1 may otherwise be imposed by any other provision of law
2 or regulation promulgated pursuant thereto.

3 (b) Assistance under this section shall be in addition
4 to any other Federal disaster assistance, except that such
5 other assistance may be adjusted or modified to the extent
6 deemed appropriate by the Director under the authority of
7 section 208 of this Act. Any loan made under this section
8 shall be subject to the interest requirements of section 234
9 of this Act, but the President, if he deems it necessary, may
10 defer payments of principal and interest for a period not to
11 exceed three years after the date of the loan.

12 **FOOD COUPONS AND DISTRIBUTION**

13 SEC. 238. (a) Whenever the President determines
14 that, as a result of a major disaster, low-income households
15 are unable to purchase adequate amounts of nutritious food,
16 he is authorized, under such terms and conditions as he may
17 prescribe, to distribute through the Secretary of Agriculture
18 coupon allotments to such households pursuant to the pro-
19 visions of the Food Stamp Act of 1964 and to make surplus
20 commodities available pursuant to the provisions of section
21 203 of this Act.

22 (b) The President, through the Secretary of Agricul-
23 ture is authorized to continue to make such coupon allotments
24 and surplus commodities available to such households for so
25 long as he determines necessary, taking into consideration

1 such factors as he deems appropriate, including the conse-
2 quences of the major disaster on the earning power of the
3 households to which assistance is made available under this
4 section.

5 (e) Nothing in this section shall be construed as
6 amending or otherwise changing the provisions of the Food
7 Stamp Act of 1964 except as they relate to the availability
8 of food stamps in a major disaster area.

~~LEGAL SERVICES~~

10 SEC. 239. Whenever the Director determines that low-
11 income individuals are unable to secure legal services ade-
12 quate to meet their needs as a consequence of a major dis-
13 aster, he shall assure the availability of such legal services
14 as may be needed by these individuals because of conditions
15 created by a major disaster. Whenever feasible, and con-
16 sistent with the goals of the program authorized by this
17 section, the Director shall assure that the programs are
18 conducted with the advice and assistance of appropriate
19 Federal agencies and State and local bar associations.

~~UNEMPLOYMENT ASSISTANCE~~

21 SEC. 240. The President is authorized to provide to any
22 individual unemployed as a result of a major disaster, such
23 assistance as he deems appropriate while such individual is
24 unemployed. Such assistance as the President shall provide
25 shall not exceed the maximum amount and the maximum

1 duration of payment under the unemployment compensation
2 program of the State in which the disaster occurred, and the
3 amount of assistance under this section to any such individual
4 shall be reduced by any amount of unemployment compen-
5 sation or of private income protection insurance compensation
6 available to such individual for such period of unemployment.

7 **COMMUNITY DISASTER LOAN FUND**

8 ~~SEC. 241. (a) There is established within the Treasury~~
9 ~~a Community Disaster Loan Fund from which the President~~
10 ~~may authorize loans to local governments for the purposes of~~
11 ~~meeting payments of principal and interest on outstanding~~
12 ~~bonded indebtedness, for providing the local share of any~~
13 ~~Federal grant in aid program which is designed to assist in~~
14 ~~the restoration of an area damaged by a major disaster, or~~
15 ~~for providing and maintaining essential public services. Such~~
16 ~~loans shall be made only if the local government has suffered~~
17 ~~a loss of either more than 25 per centum of its tax base or~~
18 ~~such a substantial amount that it is otherwise unable to meet~~
19 ~~such payments, local share obligations, or the cost of essential~~
20 ~~public services.~~

21 ~~(b) Loans from the Fund established by this section~~
22 ~~shall be without interest for the first two years, shall be made~~
23 ~~for such periods as may be necessary, not to exceed twenty~~
24 ~~years, and shall bear interest after the first two years at a rate~~
25 ~~prescribed in section 234. The President may defer initial~~

1 payments on such a loan for a period not to exceed five years
2 or half the term of the loan, whichever is less. Any loans
3 under this section may be made for a local government's
4 fiscal year in which the disaster occurred and for each of
5 the following two fiscal years. Loans for any year shall not
6 exceed the difference between the average annual property
7 tax revenue received by the local government for the three-
8 year period preceding the major disaster and the local gov-
9 ernment's accrued property tax revenue for each of the three-
10 years following the major disaster. For purposes of compu-
11 tations under this section, the tax rate and tax assessment
12 valuation factors in effect at the time of the disaster shall
13 not be reduced during the three-year period following the
14 disaster.

15 (e) (1) The President may transfer to the Fund such
16 sums as he may determine to be necessary from the appro-
17 priations available to him for disaster relief. All amounts
18 received as interest payments or repayments of principal
19 on loans, and any other moneys, property, or assets derived
20 from operations in connection with this section shall be
21 deposited to the Fund.

22 (2) All loans, expenses, and payments pursuant to
23 operations under this section shall be paid from the Fund.
24 From time to time, and at least at the close of each fiscal
25 year, there shall be paid from the Fund into the Treasury,

1 as miscellaneous receipts, interest on the average amount
2 of appropriations accumulated as capital to the Fund, less
3 the average undisbursed cash balance in the Fund during
4 the year. The rate of such interest shall not exceed any
5 rate determined under section 234 for loans from the Fund.
6 Interest payments may be deferred with the approval of the
7 Secretary of the Treasury, but any interest payments so de-
8 ferred shall themselves bear interest. If at any time the Pres-
9 ident determines that moneys in the Fund exceed the present
10 and any reasonably prospective future requirements of the
11 Fund, such excess may be transferred to the general fund of
12 the Treasury or to the appropriations available to the Pres-
13 ident for disaster relief.

14 (d) There are hereby authorized to be appropriated
15 such sums, not to exceed \$100,000,000, as may be neces-
16 sary to carry out the provisions of this section.

17 TIMBER SALE CONTRACTS

18 SEC. 242. (a) Where an existing timber sale contract
19 between the Secretary of Agriculture or the Secretary of
20 the Interior and a timber purchaser does not provide relief
21 from major physical change not due to negligence of the
22 purchaser prior to approval of construction of any section
23 of specified road or of any other specified development fa-
24 cility and, as a result of a major disaster, a major physical
25 change results in additional construction work in connection

1 with such road or facility by such purchaser with an esti-
2 mated cost, as determined by the appropriate Secretary, (1)
3 of more than \$1,000 for sales under one million board feet,
4 (2) of more than \$1 per thousand board feet for sales of
5 one to ~~th~~^{or} million board feet, or (3) of more than \$3,000
6 for sales over three million board feet, such increased con-
7 struction cost shall be borne by the United States.

8 (b) If the Secretary determines that damages are
9 so great that restoration, reconstruction, or construction is
10 not practical under the cost sharing arrangement authorized
11 by subsection (a) of this section, the Secretary may allow
12 cancellation of the contract notwithstanding contrary pro-
13 visions therein.

14 (c) The Secretary of Agriculture is authorized to re-
15 duce to seven days the minimum period of advance public
16 notice required by the first section of the Act of June 4, 1897
17 (16 U.S.C. 476), in connection with the sale of timber from
18 national forests, whenever the Secretary determines that (1)
19 the sale of such timber will assist in the construction of any
20 area of a State damaged by a major disaster, (2) the sale
21 of such timber will assist in sustaining the economy of such
22 area, or (3) the sale of such timber is necessary to salvage
23 the value of timber damaged in such major disaster or to
24 protect undamaged timber.

25 (d) The President, when he determines it to be in the

1 public interest, and acting through the Director of Emer-
2 gency Preparedness, is authorized to make grants to any
3 State or local government for the purpose of removing from
4 privately owned lands timber damaged as a result of a major
5 disaster, and such State or local government is authorized
6 upon application, to make payments out of such grants to
7 any person for reimbursement of expenses actually incurred
8 by such person in the removal of damaged timber, not to
9 exceed the amount that such expenses exceed the salvage
10 value of such timber.

11 PUBLIC LAND ENTRYMAN

12 SEC. 243. The Secretary of the Interior is authorized to
13 give any public land entryman such additional time in which
14 to comply with any requirement of law in connection with
15 any public land entry for lands affected by a major disaster
16 as the Secretary finds appropriate because of interference
17 with the entryman's ability to comply with such requirement
18 as a result of such major disaster.

19 MINIMUM STANDARDS FOR RESIDENTIAL STRUCTURE

20 RESTORATION

21 SEC. 244. (a) No loan or grant made by any Federal
22 agency, or by any relief organization operating under the
23 supervision of the Director, for the repair, restoration, recon-
24 struction, or replacement of any residential structure located
25 in a major disaster area shall be made unless such structure

1 will be repaired, restored, reconstructed, or replaced in ac-
2 cordance with such minimum standards of safety, decency,
3 and sanitation as the Secretary of Housing and Urban De-
4 velopment may prescribe by regulation for such purpose,
5 and in conformity with applicable building codes and
6 specifications.

7 (b) In order to carry out the provisions of this sec-
8 tion, the Secretary of Housing and Urban Development is
9 authorized—

10 (1) to consult with such other officials in the
11 Federal, State, and local governments as he deems
12 necessary, in order that regulations prescribed under
13 this section shall—

14 (A) carry out the purpose of this section; and
15 (B) have the necessary flexibility to be con-
16 sistent with requirements of other building regula-
17 tions, codes, and program requirements applicable;
18 and

19 (2) to promulgate such regulations as may be
20 necessary.

21 PART D—RESTORATION OF PUBLIC FACILITIES

22 FEDERAL FACILITIES

23 SEC. 251. The President may authorize any Federal
24 agency to repair, reconstruct, restore, or replace any facility
25 owned by the United States and under the jurisdiction of

1 such agency which is damaged or destroyed by any major
2 disaster if he determines that such repair, reconstruction, res-
3 toration, or replacement is of such importance and urgency
4 that it cannot reasonably be deferred pending the enactment
5 of specific authorizing legislation or the making of an appro-
6 priation for such purposes. In order to carry out the pro-
7 visions of this section, such repair, reconstruction, restora-
8 tion, or replacement may be begun notwithstanding a lack
9 or an insufficiency of funds appropriated for such purpose,
10 where such lack or insufficiency can be remedied by the
11 transfer, in accordance with law, of funds appropriated for
12 another purpose.

13 STATE AND LOCAL GOVERNMENT FACILITIES

14 SEC. 252. (a) The President is authorized to make
15 contributions to State or local governments to repair, restore,
16 reconstruct, or replace public facilities belonging to such
17 State or local governments which were damaged or
18 destroyed by a major disaster, except that the Federal contri-
19 bution therefor shall not exceed 50 per centum of the net
20 cost of restoring any such facility to its capacity prior to
21 such disaster and in conformity with applicable codes and
22 specifications.

23 (b) In the case of any such public facilities which were
24 in the process of construction when damaged or destroyed
25 by a major disaster, the Federal contribution shall not exceed

1 50 per centum of the net costs of restoring such facilities
2 substantially to their prior to such disaster condition and of
3 completing construction not performed prior to the major
4 disaster to the extent the increase of such cost over the orig-
5 inal construction cost is attributable to changed conditions
6 resulting from a major disaster.

7 (e) For the purposes of this section "public facility"
8 includes any flood control, navigation, irrigation, reclama-
9 tion, public power, sewage treatment and collection, water
10 supply and distribution, watershed development, or airport
11 facility, any non-Federal-aid street, road, or highway, and
12 any other essential public facility.

13 PRIORITY TO CERTAIN APPLICATIONS FOR PUBLIC FACILITY
14 AND PUBLIC HOUSING ASSISTANCE

15 SEC. 253. In the processing of applications for assist-
16 ance, priority and immediate consideration may be given,
17 during such period, not to exceed six months, as the Pres-
18 ident shall prescribe by proclamation, to applications from
19 public bodies situated in major disaster areas, under the fol-
20 lowing Acts:

21 (1) title II of the Housing Amendments of 1955,
22 or any other Act providing assistance for repair, con-
23 struction, or extension of public facilities;

24 (2) the United States Housing Act of 1937 for the
25 provision of low-rent housing;

(3) section 702 of the Housing Act of 1954 for assistance in public works planning;

3 (4) section 702 of the Housing and Urban Develop-
4 ment Act of 1965 providing for grants for public
5 facilities; or

6 (5) section 306 of the Consolidated Farmers Home
7 Administration Act.

RELOCATION ASSISTANCE

9 SEC. 254. Notwithstanding any other provision of law
10 or regulation promulgated thereunder, no person otherwise
11 eligible for relocation assistance payments authorized under
12 section 114 of the Housing Act of 1949 shall be denied such
13 eligibility as a result of a major disaster as determined by
14 the President.

TITLE III—MISCELLANEOUS

~~TECHNICAL AMENDMENTS~~

17 SEC. 301. (a) Section 701(a)(3)(B)(ii) of the Housing
18 Act of 1954 (40 U.S.C. 461(a)(3)(B)(ii)) is amended
19 to read as follows: "(ii) have suffered substantial damage
20 as a result of a major disaster as determined by the President
21 pursuant to the Disaster Assistance Act of 1970".

22 (b) Section 8(b)(2) of the National Housing Act
23 (12 U.S.C. 1706c(b)(2)) is amended by striking out of
24 the last proviso “section 2(a) of the Act entitled ‘An Act
25 to authorize Federal assistance to States and local govern-

1 ments in major disasters, and for other purposes' (Public
2 Law 875, Eighty-first Congress, approved September 30,
3 1950)" and inserting in lieu thereof "section 102(1) of
4 the Disaster Assistance Act of 1970".

5 (e) Section 203(h) of the National Housing Act (12
6 U.S.C. 1709(h)) is amended by striking out "section 2(a)
7 of the Act entitled 'An Act to authorize Federal assistance
8 to States and local governments in major disasters and for
9 other purposes' (Public Law 875, Eighty-first Congress,
10 approved September 30, 1950), as amended" and inserting
11 in lieu thereof "section 102(1) of the Disaster Assistance
12 Act of 1970".

13 (d) Section 221(f) of the National Housing Act (12
14 U.S.C. 1715l(f)) is amended by striking out of the last
15 paragraph "the Act entitled 'An Act to authorize Federal
16 assistance to States and local governments in major disasters,
17 and for other purposes', approved September 30, 1950, as
18 amended (42 U.S.C. 1855-1855g)" and inserting in lieu
19 thereof "the Disaster Assistance Act of 1970".

20 (e) Section 7(a)(1)(A) of the Act of September 30,
21 1950 (Public Law 874, Eighty-first Congress, as amended;
22 20 U.S.C. 2411(a)(1)(A)), is amended by striking
23 out "pursuant to section 2(a) of the Act of September
24 30, 1950 (42 U.S.C. 1855a(a))" and inserting in lieu

1 thereof "pursuant to section 102 (1) of the Disaster Assist-
2 ance Act of 1970".

3 (f) Section 16 (a) of the Act of September 23, 1950
4 (79 Stat. 1158; 20 U.S.C. 646 (a)) is amended by striking
5 out "section 2 (a) of the Act of September 30, 1950 (42
6 U.S.C. 1855a (a))" and inserting in lieu thereof "section
7 102 (1) of the Disaster Assistance Act of 1970".

8 (g) Section 408 (a) of the Higher Education Facilities
9 Act of 1963 (20 U.S.C. 758 (a)) is amended by striking
10 out "section 2 (a) of the Act of September 30, 1950 (42
11 U.S.C. 1855a (a))" and inserting in lieu thereof "section
12 102 (1) of the Disaster Assistance Act of 1970".

13 (h) Section 165 (h) (2) of the Internal Revenue Code
14 of 1954, relating to disaster losses (26 U.S.C. 165 (h) (2))
15 is amended to read as follows:

16 "(2) occurring in an area subsequently determined
17 by the President of the United States to warrant assist-
18 ance by the Federal Government under the Disaster
19 Assistance Act of 1970,".

20 (i) Section 5064 (a) of the Internal Revenue Code of
21 1954 (26 U.S.C. 5064 (a)), relating to losses caused by
22 disaster, is amended by striking out "the Act of Septem-
23 ber 30, 1950 (42 U.S.C. 1855)" and inserting in lieu thereof
24 "the Disaster Assistance Act of 1970".

25 (j) Section 5708 (a) of the Internal Revenue Code of

1 1954 (26 U.S.C. 5708(a)), relating to losses caused by
2 disaster, is amended by striking out "the Act of Septem-
3 ber 30, 1950 (42 U.S.C. 1855)" and inserting in lieu
4 thereof "the Disaster Assistance Act of 1970".

5 (k) Section 3 of the Act of June 30, 1954 (68 Stat.
6 330; 48 U.S.C. 1681), is amended by striking out of the
7 last sentence "section 2 of the Act of September 30, 1950
8 (64 Stat. 1109), as amended (42 U.S.C. 1855a)" and in-
9 serting in lieu thereof "section 102(1) of the Disaster Assis-
10 tance Act of 1970".

11 (l) Whenever reference is made in any provision of law
12 (other than this Act), regulation, rule, record, or document
13 of the United States to the Act of September 30, 1950 (64
14 Stat. 1109), or any provision of such Act, such reference
15 shall be deemed to be a reference to the Disaster Assistance
16 Act of 1970 or to the appropriate provision of the Disaster
17 Assistance Act of 1970 unless no such provision is included
18 therein.

19 ~~REPEAL OF EXISTING LAW~~

20 SEC. 302. The following Acts are hereby repealed:

- 21 (1) the Act of September 30, 1950 (64 Stat.
22 1109);
- 23 (2) the Disaster Relief Act of 1966, except section
24 7 (80 Stat. 1316); and

(3) the Disaster Relief Act of 1969 (83 Stat. 125).

~~AUTHORIZATION OF APPROPRIATIONS~~

4 SEC. 303. Except as provided otherwise in this Act,
5 there are hereby authorized to be appropriated such sums
6 as may be necessary to carry out the provisions of this Act.

7 EFFECTIVE DATE

8 SEC. 304. This Act shall take effect immediately upon
9 its enactment, except that sections 226(e), 237, 241, 252
10 (a), and 254 shall take effect as of August 1, 1969, and sec-
11 tions 231, 232, and 233 shall take effect as of April 1, 1970.
12 *That this Act may be cited as the "Disaster Relief Act of*
13 *1970".*

14 *SEC. 2. The Act entitled "An Act to authorize Federal*
15 *assistance to States and local governments in major disasters,*
16 *and for other purposes", approved September 30, 1950*
17 *(Public Law 875, Eighty-first Congress; 42 U.S.C. 1855-*
18 *1855g), as amended, is amended as follows:*

19 (1) The first section is amended by striking out "essen-
20 tial".

21 (2) Section 2(a) is amended (A) by striking out
22 "disaster assistance under this Act" and inserting in lieu
23 thereof "Federal disaster assistance", and (B) by striking
24 out "(or the Board of Commissioners of the District of
25 Columbia)".

1 (3) Section 2(c) is amended by striking out the period
2 at the end thereof and inserting in lieu thereof a comma
3 and the following: "and the District of Columbia;".

4 (4) Section 2(e) is amended by striking out "or the
5 District of Columbia".

6 (5) Section 3(d) is amended to read as follows: "(d)
7 by performing on public or private lands protective, emer-
8 gency, and other work essential for the preservation of life
9 and property; making repairs to and replacements of public
10 facilities (including street, road, and highway facilities)
11 of States and local governments damaged or destroyed in
12 such major disaster, except that the Federal contributions
13 therefor shall not exceed the net cost of restoring each such
14 facility on the basis of the design of such facility as it existed
15 immediately prior to the disaster in conformity with cur-
16 rent codes, specifications, and standards; providing temporary
17 housing or other emergency shelter, including, but not limited
18 to, mobile homes or other readily fabricated dwellings for
19 those who, as a result of such major disaster, require tempo-
20 rary housing or other emergency shelter, except that for the
21 first twelve months of occupancy no rentals shall be estab-
22 lished for any such accommodations, thereafter rentals shall
23 be established, based upon fair market value of the accom-
24 modations being furnished, adjusted to take into consideration
25 the financial ability of the occupant; and making contribu-

1 tions to States and local governments for the purposes stated
2 in this clause."

3 (6) Section 3(b) is amended by inserting immediately
4 after "Red Cross" a comma and the following: "the Salva-
5 tion Army,".

6 SEC. 3. *The Disaster Relief Act of 1969 (Public Law*
7 *91-79; 83 Stat. 125)* is amended as follows:

8 (1) Section 6 is amended to read as follows:

9 "SEC. 6. (a) In the administration of the disaster loan
10 program under sections 7(b) (1), (2), and (4) of the
11 Small Business Act, as amended (15 U.S.C. 636(b)), in
12 the case of injury, loss, or damage resulting from a major
13 disaster as determined by the President, a natural disaster
14 as determined by the Secretary of Agriculture, and a disaster
15 as determined by the Administrator of the Small Business
16 Administration—

17 "(1) to the extent such injury, loss, or damage is
18 not compensated for by insurance or otherwise, may
19 grant any loan for repair, rehabilitation, or replacement
20 of property injured, damaged, or destroyed, without re-
21 gard to whether the required financial assistance is other-
22 wise available from private sources.

23 "(2) may, in the case of the total destruction or
24 substantial property damage of a home or business con-
25 cern, refinance any mortgage or other liens outstanding

1 against the destroyed or damaged property if such prop-
2 erty to is to be repaired, rehabilitated, or replaced, except
3 that the amount refinanced shall not exceed the amount
4 of the physical loss sustained. This clause shall apply
5 only to loans made to cover injury, losses, and damage
6 resulting from major disasters as determined by the
7 President.

8 “(3) to the extent that repayment of a loan made
9 under this section would constitute a hardship upon the
10 borrower, may, on that part of any loan in excess of
11 \$500, cancel the principal of the loan, except that the
12 total amount so canceled shall not exceed \$2,500. This
13 clause shall apply only to loans made to cover injury,
14 losses, and damage resulting from major disasters as
15 determined by the President.

16 “(4) may defer interest payments or principal pay-
17 ments, or both, in whole or in part, on any loan made
18 under this section during the first three years of the term
19 of the loan, except that any such deferred payments
20 shall bear interest at the rate determined under subsec-
21 tion (b) of this section.

22 “(b) Any loan made under this section shall not exceed
23 the current cost of repairing or replacing the disaster injury,
24 loss, or damage in conformity with current codes and specifi-
25 cations. Any such loan (including any refinancing under

1 clause (2) and any deferred payment under clause (4) of
2 subsection (a)) shall bear interest at a rate determined by
3 the Secretary of the Treasury, taking into consideration the
4 current average market yield on outstanding marketable ob-
5 ligations of the United States with remaining periods to ma-
6 turity of ten to twelve years reduced by not to exceed 1 per
7 centum per annum. In no event shall any loan made under
8 this section bear interest at a rate in excess of 6 per centum
9 per annum.

10 "(c) A loan under this section shall not be denied on
11 the basis of the age of the applicant."

12 (2) Section 7 is amended to read as follows:

13 "SEC. 7. (a) In the administration of the emergency
14 loan program under subtitle C of the Consolidated Farmers
15 Home Administration Act of 1961, as amended (7 U.S.C.
16 1961-1967), and the rural housing loan program under
17 section 502 of title V of the Housing Act of 1949, as amended
18 (42 U.S.C. 1472), in the case of loss or damage resulting
19 from a major disaster as determined by the President, or a
20 natural disaster as determined by the Secretary of Agricul-
21 ture, the Secretary of Agriculture—

22 "(1) to the extent such loss or damage is not com-
23 pensated for by insurance or otherwise, may grant any
24 loan for the repair, rehabilitation, or replacement of
25 property damaged or destroyed, without regard to

1 whether the required financial assistance is otherwise
2 available from private sources.

3 “(2) may, in the case of the total destruction or
4 substantial property damage of homes or farm service
5 buildings and related structures and equipment, refi-
6 nance any mortgage or other liens outstanding against
7 the destroyed or damaged property if such property is
8 to be repaired, rehabilitated, or replaced, except that the
9 amount refinanced shall not exceed the amount of the
10 physical loss sustained. This clause shall apply only to
11 loans made to cover losses and damage resulting from
12 major disasters as determined by the President.

13 “(3) to the extent that repayment of such loan
14 made under this section would constitute a hardship
15 upon the borrower, may, on that part of any loan in
16 excess of \$500, cancel the principal of the loan, except
17 that the total amount so canceled shall not exceed
18 \$2,500. This clause shall apply only to loans made to
19 cover losses and damage resulting from major disasters
20 as determined by the President.

21 “(4) may defer interest payments or principal pay-
22 ments, or both, in whole or in part, on loans made under
23 this section during the first three years of the term of
24 the loan, except that any such deferred payments shall

1 *themselves bear interest at the rate determined under*
2 *subsection (b) of this section.*

3 “*(b) Any loan made under this section shall not exceed*
4 *the current cost of repairing or replacing the disaster loss*
5 *or damage in conformity with current codes and specifica-*
6 *tions. Any such loan (including any refinancing under*
7 *clause (2) and any deferred payment under clause (4) of*
8 *subsection (a)) shall bear interest at a rate determined by*
9 *the Secretary of the Treasury, taking into consideration the*
10 *current average market yield on outstanding marketable*
11 *obligations of the United States with remaining periods*
12 *to maturity of ten to twelve years reduced by not to exceed*
13 *1 per centum per annum. In no event shall any loan made*
14 *under this section bear interest at a rate in excess of 6*
15 *per centum per annum.*

16 “*(c) A loan under this section shall not be denied on*
17 *the basis of the age of the applicant.”*

18 *(3)(A) Subsection (a) of section 8 of the Act is*
19 *amended by inserting “and local governments” immediately*
20 *after “individuals”.*

21 *(B) Subsection (c) of section 8 of the Act is amended*
22 *to read as follows:*

23 “*(c) Any State desiring assistance under this section*
24 *shall designate or create an agency which is specifically*
25 *qualified to plan and administer a disaster relief program,*

1 and shall, through such agency, submit a State plan to the
2 President, which shall (1) set forth a comprehensive and
3 detailed State program for assistance to individuals and to
4 local governments suffering losses as a result of a major
5 disaster and (2) include provisions for the appointment of
6 a State coordinating officer."

7 (C) Section 8 of the Act is further amended by adding
8 a new subparagraph (f) as follows:

9 "(f) The President is authorized to make grants not to
10 exceed 50 per centum of the cost of improving, maintaining,
11 and updating State disaster assistance plans, except that
12 no such grant shall exceed \$25,000 per annum to any State."

13 (4) Section 14 is amended to read as follows:

14 "SEC. 14. (a) The President, whenever he determines
15 it to be in the public interest, is authorized—

16 "(1) through the use of Federal departments, agen-
17 cies, and instrumentalities, to clear debris and wreckage
18 resulting from a major disaster from publicly and pri-
19 vately owned lands and waters.

20 "(2) to make grants to any State or local govern-
21 ment for the purpose of removing debris or wreckage
22 resulting from a major disaster from publicly or pri-
23 vately owned lands and waters.

24 "(b) No authority under this section shall be exercised
25 unless the affected State or local government shall first

1 arrange an unconditional authorization for removal of such
2 debris or wreckage from public and private property, and,
3 in the case of removal of debris or wreckage from private
4 property, shall first agree to indemnify the Federal Govern-
5 ment against any claim arising from such removal."

6 (5)(A) Section 15(a) is amended by striking out " ,
7 and on or before December 31, 1970".

8 (B) Section 15(b) is amended to read as follows:

9 "(b) Sections 2, 4, and 10 of this Act shall not be in
10 effect after December 31, 1970.".

11 (C) The amendments made by this paragraph shall take
12 effect on the date of enactment of this Act.

13 SEC. 4. Notwithstanding any other provision of law or
14 regulation promulgated thereunder no person otherwise eli-
15 gible for relocation assistance payments authorized under sec-
16 tion 114 of the Housing Act of 1949 shall be denied such
17 eligibility as a result of a major disaster as determined by the
18 President.

19 SEC. 5. The President is authorized to make grants to
20 any local government which, as the result of a major dis-
21 aster, has suffered a substantial loss of property tax revenue
22 (both real and personal). Grants made under this section
23 may be made for the tax year in which the disaster occurred
24 and for each of the following two tax years. The grant for
25 any tax year shall not exceed the difference between the an-

1 nual average of all property tax revenues received by the
2 local government during the three-tax-year period immedi-
3 ately preceding the tax year in which the major disaster oc-
4 curred and the actual property tax revenue received by the
5 local government for the tax year in which the disaster oc-
6 curred and for each of the two tax years following the major
7 disaster but only if there has been no reduction in the tax
8 rates and the tax assessment valuation factors of the local gov-
9 ernment. If there has been a reduction in the tax rates or
10 the tax assessment valuation factors then, for the purpose of
11 determining the amount of a grant under this section for the
12 year or years when such reduction is in effect, the President
13 shall use the tax rates and tax assessment valuation factors
14 of the local government in effect at the time of the disaster
15 without reduction, in order to determine the property tax
16 revenues which would have been received by the local gov-
17 ernment but for such reduction.

18 SEC. 6. If the President determines that a major disaster
19 is imminent, he is authorized to use Federal departments,
20 agencies, and instrumentalities, and all other resources of the
21 Federal Government to avert or lessen the effects of such
22 disaster before its actual occurrence.

23 SEC. 7. The Director of the Office of Emergency Pre-
24 paredness is authorized and directed to make in cooperation
25 with the heads of other affected Federal and State agencies,

1 *a full and complete investigation and study for the purpose of*
2 *determining what additional or improved plans, procedures,*
3 *and facilities are necessary to provide immediate effective*
4 *action to prevent or minimize losses of publicly or privately*
5 *owned property and personal injuries or deaths which could*
6 *result from fires (forest and grass), earthquakes, tornadoes,*
7 *freezes and frosts, tsunami, storm surges and tides, and floods,*
8 *which are or threaten to become major disasters. Not later*
9 *than one year after the date of enactment of this Act the*
10 *Director of the Office of Emergency Preparedness shall re-*
11 *port to Congress the findings of this study and investiga-*
12 *tion together with his recommendations with respect thereto.*

13 *SEC. 8. (a) For the purposes of this Act, the Disaster*
14 *Relief Act of 1969, and section 9 of the Disaster Relief Act*
15 *of 1966, the terms "major disaster", "United States",*
16 *"State", "Governor", "local government", and "Federal*
17 *agency" shall have the same meanings as are given them in*
18 *section 2 of the Act of September 30, 1950, as amended (42*
19 *U.S.C. 1855a).*

20 *(b) Section 7 of the Act of September 30, 1950, as*
21 *amended (42 U.S.C. 1855f) is amended—*

22 *(1) by inserting in the first and second sentences*
23 *thereof after "this Act," each place it appears the follow-*
24 *ing: "and section 9 of the Disaster Relief Act of 1966,*

1 *the Disaster Relief Act of 1969, and the Disaster Relief*
2 *Act of 1970,"*

3 *(2) by striking out in the third sentence thereof*
4 *"specified in section 8."* and *inserting in lieu thereof*
5 *"available to carry out this Act, section 9 of the Disaster*
6 *Relief Act of 1966, the Disaster Relief Act of 1969, and*
7 *the Disaster Relief Act of 1970."*,

8 *(3) by inserting in the last sentence thereof im-*
9 *mediately following "section 3" the following: "of this*
10 *Act, section 9 of the Disaster Relief Act of 1966, the*
11 *Disaster Relief Act of 1969, and the Disaster Relief*
12 *Act of 1970."*.

13 *SEC. 9. The President may exercise any authority*
14 *granted him by this Act, the Act of September 30, 1950*
15 *(42 U.S.C. 1855-1855g) the Disaster Relief Act of 1966,*
16 *and the Disaster Relief Act of 1969, directly or through such*
17 *Federal department or agency as he may designate and his*
18 *authority shall include directing Federal departments or*
19 *agencies to provide assistance by utilizing their equipment,*
20 *supplies, facilities, personnel, and other resources for any*
21 *other program, with or without compensation therefor, and*
22 *he may reimburse Federal departments and agencies for*
23 *expenditures under this Act, such Act of September 30,*
24 *1950, and such Disaster Relief Acts as he deems appropriate*
25 *from funds appropriated for the purposes of this Act or such*

1 other Acts. All such reimbursements shall be deposited to
2 the credit of the appropriations currently available for such
3 services or supplies.

4 SEC. 10. Notwithstanding any other provision of law,
5 temporary housing (including, but not limited to, mobile
6 homes or other readily fabricated dwellings) acquired by
7 purchase under authority of the Act of September 30, 1950
8 (42 U.S.C. 1855-1855g), the Disaster Relief Act of 1969,
9 or any other provision of law, for dwelling accommodations
10 for individuals and families requiring such accommodations
11 as the result of a major disaster, may be sold directly to
12 individuals and families who are occupants thereof at prices
13 that are fair and equitable.

14 SEC. 11. In the administration of the Act of Septem-
15 ber 30, 1950 (42 U.S.C. 1855-1855g) the Disaster Relief
16 Act of 1966, the Disaster Relief Act of 1969, and this Act,
17 the President is authorized to provide assistance on a tem-
18 porary basis in the form of mortgage or rental payments to
19 or on behalf of individuals and families who, as a result
20 of financial hardship caused by a major disaster, have re-
21 ceived written notice of dispossession or eviction from
22 a residence by reason of foreclosure of any mortgage or lien,
23 cancellation of any contract of sale, or termination of any
24 lease, entered into prior to the disaster. Such assistance shall
25 be provided for a period of not to exceed one year or for

1 the duration of the period of financial hardship, whichever is
2 the lesser.

3 SEC. 12. This Act, and (except as otherwise provided
4 in section 3(5)(C)) the amendments made by this Act,
5 shall apply only to major disasters determined by the Presi-
6 dent pursuant to the Act entitled "An Act to authorize Fed-
7 eral assistance to States and local governments in major
8 disasters, and for other purposes", approved September 30,
9 1950, as amended (42 U.S.C. 1855-1855g), natural disas-
10 ters determined by the Secretary of Agriculture, and disas-
11 ters as determined by the Administrator of the Small Busi-
12 ness Administration, which disasters occur on or after
13 December 1, 1968, except that in the case of any such
14 disaster, natural disaster, or disaster which occurs on or
15 after December 1, 1968, and before the date of enact-
16 ment of this Act, whoever is eligible for Federal disaster
17 relief assistance as a result of such a disaster shall make an
18 election to receive benefits either under this Act (including
19 the amendments made by this Act) or under the law appli-
20 cable to such disasters occurring prior to December 1, 1968.

Passed the Senate September 9, 1970.

Attest: FRANCIS R. VALEO,
Secretary.

Union Calendar No. 734

91st CONGRESS S. 3619
2d SESSION

[Report No. 91-1524]

AN ACT

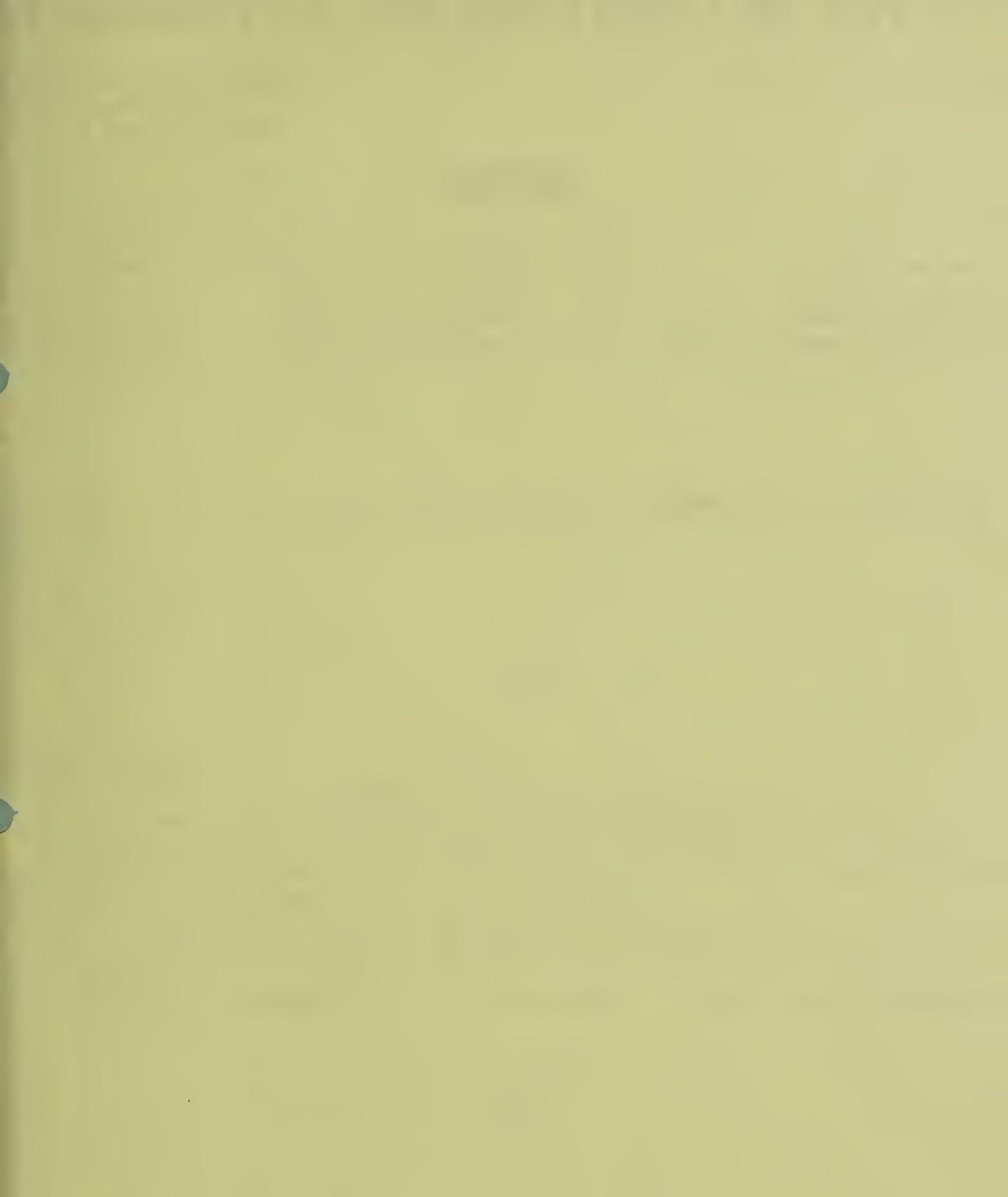
To revise and expand Federal programs for relief from the effects of major disasters, and for other purposes.

SEPTEMBER 10, 1970

Referred to the Committee on Public Works

SEPTEMBER 29, 1970

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed



DIGEST of Congressional Proceedings

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(FOR INFORMATION ONLY;
NOT TO BE QUOTED OR CITED)

For actions of October 5, 1970
91st-2nd; No. 174

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HIGHLIGHTS: House passed continuing resolution and proposed Water Bank Act.

HOUSE

1. BILLS PASSED.

H.J. Res. 1388, making further continuing appropriations until the sine die adjournment of the 2nd session of the 91st Congress for FY 71.

The resolution provides for increase from \$300,000,000 to \$600,000,000 for the advance appropriation for the Food Stamp Program and the period of availability is extended to January 31, 1971. pp. H9519-21

H.R. 15770, the proposed Water Bank Act. pp. H9556-61

S. 3619, with amendment, the proposed Disaster Relief Act of 1970. pp. H9521-9

H.R. 10482, authorizing the establishment of the Voyageurs National Park. pp. H9529-37

BILLS PASSED. (cont.)

H.R. 19342, to establish and develop the Chesapeake and Ohio National Historic Park. pp. H9577-83

H.R. 12061, regarding the identification of oleomargarine served in public places. pp. H9538-9

S. 368, authorizing the disposition of geothermal steam and associated geothermal resources, with amendment. pp. H9583-90

2. BILLS REPORTED.

Committee on Public Works reported H.R. 19504, authorizing appropriations for the construction of certain highways (H. Rept. 91-1554). p. H9611

Conferees filed a report on H.R. 15424, to amend the Merchant Marine Act of 1936 (H. Rept. 91-1555). p. H9611

3. FOOD STAMPS. Rep. Ashbrook criticized the increase in advance appropriations for the Food Stamp program, asserting the extra funds may well be headed not for the poor and needy but for "strikers and others who may be out of work by their own voluntary action". pp. H9596-8

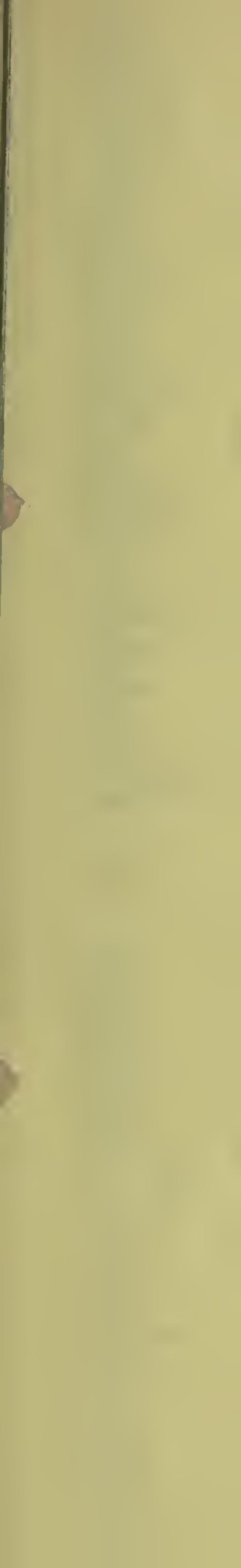
SENATE

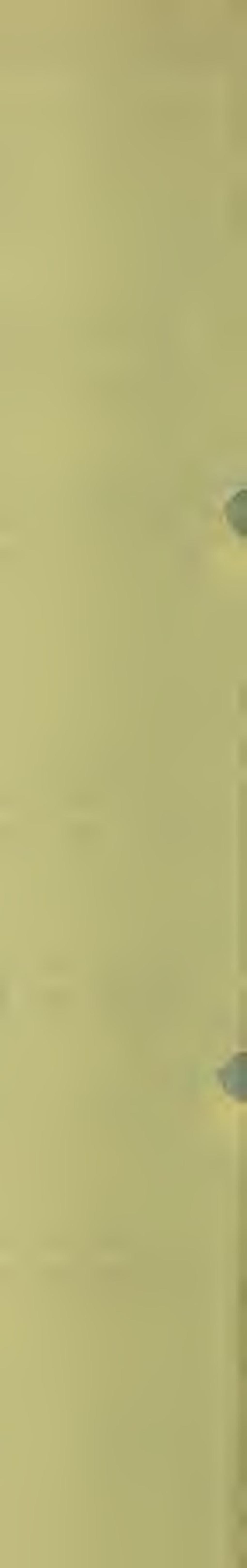
4. LANDS. Committee on Interior and Insular Affairs reported without amendment H.R. 13125, to provide for the exchange of certain lands in North Dakota, South Dakota, Montana, and Washington (S. Rept. 91-1265). p. D1097

5. FEDERAL ASSISTANCE PROGRAMS. Committee on Government Operations reported with amendment S. 60, to create a catalog of Federal assistance programs (S. Rept. 91-1271). p. D1097

EXTENSION OF REMARKS

6. DAIRY IMPORTS. Rep. Zwach called attention to differences in preparation and storage standards of the U.S. and other countries for dairy and meat products. pp. E8833-4





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Whalley
Wold
Wright
Wydler
Yates

The Clerk announced the following pairs:

Mr. Hébert with Mr. Rhodes.
Mr. Aspinall with Mr. King.
Mr. Thompson of New Jersey with Mr. Goldwater.
Mr. Dorn with Mr. Hall.
Mr. Boggs with Mr. Wydler.
Mr. Edwards of California with Mr. Watson.
Mr. Stratton with Mr. Button.
Mr. Daddario with Mr. Meskill.
Mr. Brooks with Mr. Steiger of Wisconsin.
Mr. McFall with Mr. Teague of California.
Mr. Byrne of Pennsylvania with Mr. Corbett.
Mr. Nedzi with Mr. Conte.
Mr. Daniels of New Jersey with Mr. Hastings.
Mr. Pucinski with Mr. Biester.
Mr. Griffin with Mr. Frey.
Mr. Giaimo with Mr. Gubser.
Mr. Gettys with Mr. Berry.
Mr. Fisher with Mr. Blackburn.
Mr. Chappell with Mr. Cowger.
Mr. Casey with Mr. Cramer.
Mr. Biaggi with Mr. Halpern.
Mr. Hull with Mr. Betts.
Mr. Cabell with Mr. Chamberlain.
Mr. Olsen with Mr. Hansen of Idaho.
Mr. Purcell with Mr. Brock.
Mr. Fulton of Tennessee with Mr. Denney.
Mr. Gallifianakis with Mr. Brown of Ohio.
Mr. Wright with Mr. Bush.
Mr. Leggett with Mr. Reid of New York.
Mr. Blanton with Mr. Brown of Michigan.
Mr. Henderson with Mr. Dennis.
Mr. Long of Louisiana with Mr. Derwinski.
Mr. Burlison of Missouri with Mr. Wold.
Mr. Colmer with Mr. Burton of Utah.
Mr. O'Neal of Georgia with Mr. Edwards of Alabama.

Mr. Satterfield with Mr. Foreman.
Mr. Melcher with Mr. Roth.
Mr. Ichord with Mr. Kuykendall.
Mr. Abbott with Mr. Whalley.
Mr. Reuss with Mr. Sandman.
Mrs. Griffiths with Mr. Roudebush.
Mr. Farbstein with Mr. Diggs.
Mr. Conyers with Mr. Fiedel.
Mr. Hays with Mr. Haley.
Mr. McMillan with Mr. Landgrebe.
Mr. McCarthy with Mr. Pirnie.
Mr. Hanna with Mr. Lloyd.
Mr. Roe with Mr. Welcker.
Mr. Fallon with Mr. Morton.
Mr. Lowenstein with Mr. Yates.
Mr. Baring with Mr. Pollock.
Mr. Ottinger with Mrs. Chisholm.
Mrs. Mink with Mr. Powell.
Mr. Gilbert with Mr. MacGregor.
Mr. Landrum with Mr. Snyder.
Mr. Feighan with Mr. Pettis.
Mr. de la Garza with Mr. Lujan.
Mr. Scheuer with Mr. Morse.
Mr. Dowdy with Mr. Lukens.
Mr. Kee with Mr. Taft.
Mr. Steed with Mr. McClure.
Mr. Stuckey with Mr. O'Konski.
Mr. Dulski with Mr. McKneally.
Mr. Van Deerlin with Mr. Thompson of Georgia.
Mr. Tunney with Mr. McCloskey.
Mr. Long of Maryland with Mr. Mayne.
Mr. Jones of North Carolina with Mr. Mc-Clory.
Mr. Symington with Mr. Minshall.

Mr. SCHADEBERG changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

DISASTER RELIEF ACT OF 1970

Mr. JONES of Alabama. Mr. Speaker, I move to suspend the rules and pass the

bill (H.R. 3619) to revise and expand Federal programs for relief from the effects of major disasters, and for other purposes, as amended.

The Clerk read as follows:

S. 3619

An act to revise and expand Federal programs for relief from the effects of major disasters, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Disaster Relief Act of 1970".

SEC. 2. The Act entitled "An Act to authorize Federal assistance to States and local governments in major disasters, and for other purposes", approved September 30, 1950 (Public Law 875, Eighty-first Congress; 42 U.S.C. 1855-1855g), as amended, is amended as follows:

(1) The first section is amended by striking out "essential".

(2) Section 2(a) is amended (A) by striking out "disaster assistance under this Act" and inserting in lieu thereof "Federal disaster assistance", and (B) by striking out "(or the Board of Commissioners of the District of Columbia)".

(3) Section 2(c) is amended by striking out the period at the end thereof and inserting in lieu thereof a comma and the following: "and the District of Columbia;".

(4) Section 2(e) is amended by striking out ", or the District of Columbia".

(5) Section 3(d) is amended to read as follows: "(d) by performing on public or private lands protective, emergency, and other work essential for the preservation of life and property; making repairs to and replacements of public facilities (including street, road, and highway facilities) of States and local governments damaged or destroyed in such major disaster, except that the Federal contributions therefor shall not exceed the net cost of restoring each such facility on the basis of the design of such facility as it existed immediately prior to the disaster in conformity with current codes, specifications, and standards; providing temporary housing or other emergency shelter, including, but not limited to, mobile homes or other readily fabricated dwellings for those who, as a result of such major disaster, require temporary housing or other emergency shelter, except that for the first twelve months of occupancy no rentals shall be established for any such accommodations, thereafter rentals shall be established, based upon fair market value of the accommodations being furnished, adjusted to take into consideration the financial ability of the occupant; and making contributions to States and local governments for the purposes stated in this clause."

(6) Section 3(b) is amended by inserting immediately after "Red Cross" a comma and the following: "the Salvation Army".

SEC. 3. The Disaster Relief Act of 1969 (Public Law 91-79; 83 Stat. 125) is amended as follows:

(1) Section 6 is amended to read as follows:

"SEC. 6. (a) In the administration of the disaster loan program under section 7(b)(1), (2), and (4) of the Small Business Act, as amended (15 U.S.C. 636(b)), in the case of injury, loss, or damage resulting from a major disaster as determined by the President, a natural disaster as determined by the Secretary of Agriculture, and a disaster as determined by the Administrator of the Small Business Administration—

"(1) to the extent such injury, loss, or damage is not compensated for by insurance or otherwise, may grant any loan for repair, rehabilitation, or replacement of property injured, damaged, or destroyed, without regard to whether the required financial assistance is otherwise available from private sources.

So (two-thirds having voted in favor thereof) the rules were suspended and the joint resolution was passed.

"(2) may, in the case of the total destruction or substantial property damage of a home or business concern, refinance any mortgage or other liens outstanding against the destroyed or damaged property if such property is to be repaired, rehabilitated, or replaced, except that the amount refinanced shall not exceed the amount of the physical loss sustained. This clause shall apply only to loans made to cover injury, losses, and damage resulting from major disasters as determined by the President.

"(3) to the extent that repayment of a loan made under this section would constitute a hardship upon the borrower, may, on that part of any loan in excess of \$500, cancel the principal of the loan, except that the total amount so canceled shall not exceed \$2,500. This clause shall apply only to loans made to cover injury, losses, and damage resulting from major disasters as determined by the President.

"(4) may defer interest payments or principal payments, or both, in whole or in part, on any loan made under this section during the first three years of the term of the loan, except that any such deferred payments shall bear interest at the rate determined under subsection (b) of this section.

"(b) Any loan made under this section shall not exceed the current cost of repairing or replacing the disaster injury, loss, or damage in conformity with current codes and specifications. Any such loan (including any refinancing under clause (2) and any deferred payment under clause (4) of subsection (a)) shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity of ten to twelve years reduced by not to exceed 1 per centum per annum. In no event shall any loan made under this section bear interest at a rate in excess of 6 per centum per annum.

"(c) A loan under this section shall not be denied on the basis of the age of the applicant."

(2) Section 7 is amended to read as follows:

"SEC. 7. (a) In the administration of the emergency loan program under subtitle C of the Consolidated Farmers Home Administration Act of 1961, as amended (7 U.S.C. 1961-1967), and the rural housing loan program under section 502 of title V of the Housing Act of 1949, as amended (42 U.S.C. 1472), in the case of loss or damage resulting from a major disaster as determined by the President, or a natural disaster as determined by the Secretary of Agriculture, the Secretary of Agriculture—

"(1) to the extent such loss or damage is not compensated for by insurance or otherwise, may grant any loan for the repair, rehabilitation, or replacement of property damaged or destroyed, without regard to whether the required financial assistance is otherwise available from private sources.

"(2) may, in the case of the total destruction or substantial property damage of homes or farm service buildings and related structures and equipment, refinance any mortgage or other liens outstanding against the destroyed or damaged property if such property is to be repaired, rehabilitated, or replaced, except that the amount refinanced shall not exceed the amount of the physical loss sustained. This clause shall apply only to loans made to cover losses and damage resulting from major disasters, as determined by the President.

"(3) to the extent that repayment of such loan made under this section would constitute a hardship upon the borrower, may, on that part of any loan in excess of \$500, cancel the principal of the loan, except that the total amount so canceled shall not exceed \$2,500. This clause shall apply only to loans made to cover losses and damage resulting

from major disasters, as determined by the President.

"(4) may defer interest payments or principal payments, or both, in whole or in part, on loans made under this section during the first three years of the term of the loan, except that any such deferred payments shall themselves bear interest at the rate determined under subsection (b) of this section.

"(b) Any loan made under this section shall not exceed the current cost of repairing or replacing the disaster loss or damage in conformity with current codes and specifications. Any such loan (including any refinancing under clause (2) and any deferred payment under clause (4) of subsection (a)) shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity of ten to twelve years reduced by not to exceed 1 per centum per annum. In no event shall any loan made under this section bear interest at a rate in excess of 6 per centum per annum.

"(c) A loan under this section shall not be denied on the basis of the age of the applicant."

(3)(A) Subsection (a) of section 8 of the Act is amended by inserting "and local governments" immediately after "individuals".

(B) Subsection (c) of section 8 of the Act is amended to read as follows:

"(c) Any State desiring assistance under this section shall designate or create an agency which is specifically qualified to plan and administer a disaster relief program, and shall, through such agency, submit a State plan to the President, which shall (1) set forth a comprehensive and detailed State program for assistance to individuals and to local governments suffering losses as a result of a major disaster and (2) include provisions for the appointment of a State coordinating officer."

(C) Section 8 of the Act is further amended by adding a new subparagraph (f) as follows:

"(f) The President is authorized to make grants not to exceed 50 per centum of the cost of improving, maintaining, and updating State disaster assistance plans, except that no such grant shall exceed \$25,000 per annum to any State."

(4) Section 14 is amended to read as follows:

"SEC. 14. (a) The President, whenever he determines it to be in the public interest, is authorized—

"(1) through the use of Federal departments, agencies, and instrumentalities, to clear debris and wreckage resulting from a major disaster from publicly and privately owned lands and waters.

"(2) to make grants to any State or local government for the purpose of removing debris or wreckage resulting from a major disaster from publicly or privately owned lands and waters.

"(b) No authority under this section shall be exercised unless the affected State or local government shall first arrange an unconditional authorization for removal of such debris or wreckage from public and private property, and, in the case of removal of debris or wreckage from private property, shall first agree to indemnify the Federal Government against any claim arising from such removal."

(5)(A) Section 15(a) is amended by striking out ", and on or before December 31, 1970".

(B) Section 15(b) is amended to read as follows:

"(b) Sections 2, 4, and 10 of this Act shall not be in effect after December 31, 1970."

(C) The amendments made by this paragraph shall take effect on the date of enactment of this Act.

Sec. 4. Notwithstanding any other provis-

ion of law or regulation promulgated thereunder no person otherwise eligible for relocation assistance payments authorized under section 114 of the Housing Act of 1949 shall be denied such eligibility as a result of a major disaster as determined by the President.

Sec. 5. The President is authorized to make grants to any local government which, as the result of a major disaster, has suffered a substantial loss of property tax revenue (both real and personal). Grants made under this section may be made for the tax year in which the disaster occurred and for each of the following two tax years. The grant for any tax year shall not exceed the difference between the annual average of all property tax revenues received by the local government during the three-tax-year period immediately preceding the tax year in which the major disaster occurred and the actual property tax revenue received by the local government for the tax year in which the disaster occurred and for each of the two tax years following the major disaster but only if there has been no reduction in the tax rates and the tax assessment valuation factors of the local government. If there has been a reduction in the tax rates or the tax assessment valuation factors then, for the purpose of determining the amount of a grant under this section for the year or years when such reduction is in effect, the President shall use the tax rates and tax assessment valuation factors of the local government in effect at the time of the disaster without reduction, in order to determine the property tax revenues which would have been received by the local government but for such reduction.

Sec. 6. If the President determines that a major disaster is imminent, he is authorized to use Federal departments, agencies, and instrumentalities, and all other resources of the Federal Government to avert or lessen the effects of such disaster before its actual occurrence.

Sec. 7. The Director of the Office of Emergency Preparedness is authorized and directed to make in cooperation with the heads of other affected Federal and State agencies, a full and complete investigation and study for the purpose of determining what additional or improved plans, procedures, and facilities are necessary to provide immediate effective action to prevent or minimize losses of publicly or privately owned property and personal injuries or deaths which could result from fires (forest and grass), earthquakes, tornadoes, freezes and frosts, tsunami, storm surges and tides, and floods, which are or threaten to become major disasters. Not later than one year after the date of enactment of this Act the Director of the Office of Emergency Preparedness shall report to Congress the findings of this study and investigation together with his recommendations with respect thereto.

Sec. 8. (a) For the purposes of this Act, the Disaster Relief Act of 1969, and section 9 of the Disaster Relief Act of 1966, the terms "major disaster", "United States", "State", "Governor", "local government", and "Federal agency" shall have the same meanings as are given them in section 2 of the Act of September 30, 1950, as amended (42 U.S.C. 1855a).

(b) Section 7 of the Act of September 30, 1950, as amended (42 U.S.C. 1855f) is amended—

(1) by inserting in the first and second sentences thereof after "this Act," each place it appears the following: "and section 9 of the Disaster Relief Act of 1966, the Disaster Relief Act of 1969, and the Disaster Relief Act of 1970,"

(2) by striking out in the third sentence thereof "specified in section 8." and inserting in lieu thereof "available to carry out this Act, section 9 of the Disaster Relief Act of

1966, the Disaster Relief Act of 1969, and the Disaster Relief Act of 1970."

(3) by inserting in the last sentence thereof immediately following "section 3" the following: "of this Act, section 9 of the Disaster Relief Act of 1966, the Disaster Relief Act of 1969, and the Disaster Relief Act of 1970".

SEC. 9. The President may exercise any authority granted him by this Act, the Act of September 30, 1950 (42 U.S.C. 1855-1855g) the Disaster Relief Act of 1966, and the Disaster Relief Act of 1969, directly or through such Federal department or agency as he may designate and his authority shall include directing Federal departments or agencies to provide assistance by utilizing their equipment, supplies, facilities, personnel, and other resources for any other program, with or without compensation therefor, and he may reimburse Federal departments and agencies for expenditures under this Act, such Act of September 30, 1950, and such Disaster Relief Acts as he deems appropriate from funds appropriated for the purposes of this Act or such other Acts. All such reimbursements shall be deposited to the credit of the appropriations currently available for such services or supplies.

SEC. 10. Notwithstanding any other provision of law, temporary housing (including, but not limited to, mobile homes or other readily fabricated dwellings) acquired by purchase under authority of the Act of September 30, 1950 (42 U.S.C. 1855-1855g), the Disaster Relief Act of 1969, or any other provision of law, for dwelling accommodations for individuals and families requiring such accommodations as the result of a major disaster, may be sold directly to individuals and families who are occupants thereof at prices that are fair and equitable.

SEC. 11. In the administration of the Act of September 30, 1950 (42 U.S.C. 1855-1855g) the Disaster Relief Act of 1966, the Disaster Relief Act of 1969, and this Act, the President is authorized to provide assistance on a temporary basis in the form of mortgage or rental payments to or on behalf of individuals and families who, as a result of financial hardship caused by a major disaster, have received written notice of dispossess or eviction from a residence by reason of foreclosure of any mortgage or lien, cancellation of any contract of sale, or termination of any lease, entered into prior to the disaster. Such assistance shall be provided for a period of not to exceed one year or for the duration of the period of financial hardship, whichever is the lesser.

SEC. 12. This Act, and (except as otherwise provided in section 3(5)(C)) the amendments made by this Act, shall apply only to major disasters determined by the President pursuant to the Act entitled "An Act to authorize Federal assistance to States and local governments in major disasters, and for other purposes", approved September 30, 1950, as amended (42 U.S.C. 1855-1855g), natural disasters determined by the Secretary of Agriculture, and disasters as determined by the Administrator of the Small Business Administration, which disasters occur on or after December 1, 1968, except that in the case of any such disaster, natural disaster, or disaster which occurs on or after December 1, 1968, and before the date of enactment of this Act, whoever is eligible for Federal disaster relief assistance as a result of such a disaster shall make an election to receive benefits either under this Act (including the amendments made by this Act) or under the law applicable to such disasters occurring prior to December 1, 1968.

The SPEAKER. Is a second demanded?

Mr. DON H. CLAUSEN. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

Mr. JONES of Alabama. Mr. Speaker, I yield myself such time as I may consume.

(Mr. JONES of Alabama asked and was given permission to revise and extend his remarks.)

Mr. JONES of Alabama. Mr. Speaker, during my tenure of service on the Public Works Committee I do not know of any bill that has had as careful consideration as the proposal now pending before the House. We have held extensive hearings on this legislation, S. 3619, the bill we are considering today was reported out by the unanimous vote of the members of the Committee on Public Works.

Mr. Speaker, not only did we hold extensive hearings on this bill, but in every major recent catastrophe the Public Works Committee has been on the scene. We have visited the disaster areas. We have held meetings with the local people whose lives have been affected by disaster. We have met their State and local governmental representatives. The information and experience we have gained over the years through these meetings has helped give us the needed background for the bill we have before us today.

Let me explain. Each catastrophe that we encountered, was somewhat different from the last one. Thus the accumulated information on the very nature of the catastrophes we inspected over the years plus the administrative problems we met in each case led us to the conclusion that to arm the Federal Government properly with the necessary legislation to deal with future disasters permanent law should be developed. This is what S. 3619 would do. The present 1969 act expires in December of this year.

Mr. Speaker, this is not a new legislative field. From the very inception of the Republic the Congress has responded when we have found the humanitarian interests were sufficient to justify a Federal investment in the rebuilding and in the repairs that are necessary for the proper relief of people in the affected areas.

Mr. GROSS. Mr. Speaker, if the gentleman will yield, when did the gentleman from Alabama say this act expires?

Mr. JONES of Alabama. The 1969 act expires in December of this year. S. 3619 is permanent law.

Mr. GROSS. December of this year?

Mr. JONES of Alabama. That is right as regards the 1969 act.

Mr. GROSS. I might say to the gentleman from Alabama that I am not opposed to the renewal of this legislation, but if it were not before the House today the gentleman would be right here in December to renew the request from the way this foot-dragging session of the Congress is being conducted.

Mr. JONES of Alabama. The gentleman from Alabama cannot respond to the gentleman's statement because he is not in a position to make policy decisions with respect to scheduling legislation.

Mr. GROSS.—I thank the gentleman for yielding.

Mr. JONES of Alabama. Mr. Speaker,

the bill before us has one basic purpose: To provide more and better help to people at a time when, because of a sudden calamity beyond their control, they cannot sufficiently help themselves.

Disasters respect no jurisdictional boundaries, no party affiliations, no political philosophies. All of us agree on the wisdom, the propriety, the necessity of the Federal Government lending a helping hand to our States, our communities, our citizens themselves, in time of disaster.

The members of the Public Works Committee are unanimous in their support of Federal disaster assistance and of the specific improvements provided by this legislation before us. We have worked closely with the administration, especially with General Lincoln and his Office of Emergency Preparedness, in considering their proposals and others. In this area, their actions have shown them to be most responsive to human needs, most receptive to change, and most cooperative with the Congress. As a result, we have in this bill provisions which will be readily implemented by the executive branch supplementing the efforts of local and State governments and of private relief agencies.

No area of the vast land of ours is immune from disaster. The districts of many—perhaps most—of the Members of this House have at one time or another suffered severely at the hands of nature. Just this year, in March, tornadoes ravaged parts of my Eighth District—and Federal help was sought and provided. You all know of the consequences of last year's Hurricane Camille, not only in my State of Alabama, but in Mississippi, Louisiana, West Virginia, and Virginia. Texas has felt the force of tornado and hurricane this year. Flooding has been a recurring problem all over the country; Maine, New York, Kentucky, Florida, Minnesota, North Dakota, Colorado, Arizona, California—and Alabama—all have had flood disasters within the past 12 months. The papers recently have told of the terrible fires sweeping southern California.

As I stated previously I and members of the committee have personally toured many of these disaster areas and have seen the destruction, and talked with the victims about their needs. And, believe me, when they want help, they want action, not promises.

In the legislation before us, by the simple expedient of amending existing law, we have the opportunity to provide that help more quickly, more abundantly, more effectively. There should be no requirement for special legislation after unusually severe catastrophes to provide additional benefits to a stricken area. This bill clarifies and updates programs and authorities now on the books. Moreover, it provides some new authority, breaks some new ground—as in tax revenue maintenance. And it looks ahead to insure that further improvements will be identified and considered.

Many of the amendments contained in this bill refine, broaden, or perfect the language in existing legislation, thereby making these measures more responsive

to needs, but without opening the way to misuse of authorities or funds.

A year ago, the Congress, in the aftermath of Hurricane Camille, authorized a number of new assistance programs, such as grants for debris clearance from private property and for development of State disaster plans. Because some of these features were uncertain as to their efficacy, time limits were put on them. Now that they have been tested through several disasters, these provisions would be made permanent by the bill before us. Unemployment compensation, SBA and farm loans, food coupon allotments, and disaster planning aid are some examples. Let me thank all the members of the Flood Control Subcommittee for their fine work on this bill and in particular the ranking minority member, my friend from California, DON CLAUSEN. Let me also thank the gentleman from Mississippi (Mr. COLMER), the gentlemen from Texas (Mr. MAHON and Mr. YOUNG) each of whom have suffered major disasters in their areas in recent years for the benefit of their experiences so that we could present the legislation to the House.

SECTION 2

First. The limiting word "essential" has been stricken from section 1 of Public Law 81-875. This provides for greater latitude in the administration of the repair of public facilities; however, it is not intended to provide for repairs to facilities which are obsolete and not in use.

Second. The definition of "major disaster" has been changed by requiring the Governor of a State to certify the need for "Federal disaster assistance" instead of merely "disaster assistance under this act." The District of Columbia would also be listed as a State instead of a local government as is in the existing law.

Third. We have removed the authority for "clearing debris and wreckage" from section 3(d) of Public Law 81-875, and have extended the scope of Federal aid to permit making repairs and replacements of public facilities instead of only emergency repairs and temporary replacements. The Federal contribution would be limited to the net cost of restoring the facility using the basis of design of that facility as it existed immediately prior to the disaster, but in accordance with current codes, standards, and specifications. The intent here is to provide for Federal payment for a new facility that would provide the same capacity as the old facility if it were to be built today according to up-to-date standards. Two examples, first, if a 400-pupil school constructed in 1950 was designed on then existing criteria to provide a certain number square feet per student, a cafeteria and library, but no gymnasium or swimming pool, the Federal contribution would be available to the amount that would be required for a 400-pupil school with a cafeteria and library. It would not pay for a swimming pool and gymnasium even though such amenities would be required if the school were to be built now. Nor would the Federal Government pay for a 600-pupil school which would be called for if the school were to be designed new today.

If, however, today's standards called for a greater number square feet per student, the Federal contribution would properly pay for space based on the new figure; similarly lighting levels, plumbing, and installed fixtures based on 1970 levels rather than 1950 criteria would be used in determining the Federal contribution. Example No. 2, an old bridge containing two 10-foot lanes without shoulders or sidewalks was washed out as a result of a disaster. Assuming that the average daily traffic would now justify a four-lane bridge, the Federal contribution would nevertheless be limited to 100 percent of the net cost of replacing two lanes. If current standards now require 12-foot lanes, shoulders, and sidewalks, the Federal contribution would properly include those costs. If the State or local government decided to build a four-lane bridge, it could do so but Federal contribution would be limited to the cost of a new two-lane bridge.

Further, if temporary housing or emergency shelter is provided, the first 12 months of occupancy would be rent-free. After that, rentals would be based on the fair market value of the accommodations furnished and would be comparable to those rentals charged locally for like facilities. Adjustment of the rentals charged to disaster victims occupying temporary housing may be made downward based upon the financial ability of the occupants to pay. There would be no limitation upon the type of acquisition available to the Federal Government in acquiring temporary housing or other emergency shelter, including but not limited to, mobile homes or other readily fabricated dwellings.

Fourth. The Salvation Army may act as a distribution organization in addition to the "Red Cross or otherwise." Nothing in this act should be construed as limiting the responsibilities of the Red Cross under the act approved January 5, 1905 (33 Stat. 599) as amended.

Fifth. The Disaster Relief Act of 1969—Public Law 91-79, 83 Stat. 125—is amended by: First, amending section 6 to include as eligible for Small Business Act disaster relief loans losses, damage or economic injury resulting from a natural disaster as determined by the Secretary of Agriculture, a disaster as determined by the Administrator of the SBA as well as the now included major disaster as determined by the President. "Injury" is understood to be economic injury. "Loss or damage" is no longer property loss or damage.

The existing section 6(2) of Public Law 91-79 providing authority for the granting of any loan for repair, rehabilitation, or replacement of property damaged or destroyed is retained. However, the interest rate would be determined by the Secretary of the Treasury taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods of maturity of 10 to 12 years reduced by not to exceed 1 per centum per annum. However, the maximum allowable interest rate would be 6 percent. The existing statute requires the loan to bear an interest rate based upon all interest bearing obligations of the

United States with maturities of 20 years or more.

Another change of note arises from the elimination of the requirement in section 6(2) of Public Law 91-79 to the effect that a loan may be granted without regard to whether the required financial assistance is otherwise available from private sources but would not be eligible for cancellation or deferral. The new section 6(a), subparagraphs (1), (3), and (4) would make such loans eligible for deferral or cancellation without regard to availability of financial assistance from private sources.

Existing section 6(1) provides that to the extent loss or damage is not compensated for by insurance or otherwise, the borrower of any loan in excess of \$500 shall have the option to cancel the interest on the loan or the principal of the loan or any combination of interest or principal not to exceed \$1,800 and the Small Business Administration may defer interest payments or principal payments or both during the first 3 years of the term of the loan without regard to the ability of the borrower to make such payments. The proposed bill eliminates the borrower's option—arising when and only when loss or damage is not compensated for by insurance or otherwise—but permits, in cases of hardship resulting from Presidally determined disasters, the cancellation of the principal only of the loan in excess of \$500 up to \$2,500. This means that the borrower in such case would no longer be able to cancel the interest due but would have the advantage of canceling principal up to \$2,500 rather than \$1,800. Hardship as used herein is to be liberally interpreted.

The new section 6(4) retains provision for deferral of interest and principal payments during the first 3 years of the term of the loan but eliminates the existing language stating that the deferral shall be made "without regard to the ability of the borrower to make such payment." It further requires that the new interest rate based on 10- to 12-year obligations—but in no event to exceed 6 percent per annum—shall be used.

Sixth. The President is authorized to provide assistance to the States in developing disaster relief plans and programs to include assistance to "local governments," thus adding local governments into the Disaster Relief Act of 1969 which now refers only to individuals. Section 8 of the 1969 act is made permanent by eliminating the deadline date of December 31, 1970, by which the States were to submit their State plans to the President.

In addition the President is authorized to make grants not to exceed 50 percent of the cost of improving, maintaining, and updating State disaster assistance plans. This is limited to \$25,000 per annum per State.

Seventh. Section 14 of the existing 1969 act pertaining to debris removal would be changed to permit removal of debris or wreckage from both publicly and privately owned lands and waters. It also authorizes the President to use Federal departments, agencies, and instrumentalities to clear the debris; however, this authority shall not be exer-

cised unless the State or local government first arranges for an unconditional authorization for removal of the debris or wreckage from public and private property. The existing authority to make grants to States for the purpose of debris removal from privately owned lands and waters is expanded to permit grants to local governments and also to cover both publicly and privately owned lands and waters. The authority of the State to make payments to any person for reimbursement of expenses actually incurred by such person for the removal of debris would be removed.

In the case of debris removal from private property, the State or local government must first agree to indemnify the Federal Government against any claim arising from the removal. The final date of eligibility for disasters under the act is eliminated by striking out December 31, 1970.

Eighth. Sections 2, 4 and 10 of Public Law 91-79 dealing with highway repairs, public land entrymen, and temporary dwellings, respectively, are repealed after December 31, 1970. This is no change from the existing law. However, this continues in effect sections (3)—timber sales contracts; (6)—SBA disaster loans, as amended; (7)—emergency farm loans, as amended; (11)—food coupon allotments; (12)—unemployment assistance; and (14)—debris removal, as amended—all of which would have been terminated as of December 31, 1970. Sections 5, 8, 9 and 13 would have remained in effect in any case. These amendments to the dates are to go into effect upon the date of enactment of this act.

Ninth. The President is authorized to make grants to any local government, which, as a result of a major disaster has suffered a substantial loss of property tax revenue—both real and personal. The limitations placed upon these grants are: First, they may only be made for the tax year in which disaster occurred and for each of the following 2 tax years. Second, the grant shall not exceed the difference between the annual average of all property tax revenues received during the 3 tax year period immediately preceding the tax year in which the major disaster occurred and the actual property tax revenue received for the tax year in which the disaster occurred and for each of the 2 succeeding tax years. Third, there must be no reduction in tax rates and tax assessment evaluation factors of the local government. If, however, there has been such a reduction, a grant may still be made for the year or years when such reduction is in effect, but, the President shall use the tax rates and tax assessment factors in effect at the time of the disaster without reduction in order to determine revenues which would have been received. These revenues will then be used in calculating the difference as the basis of determining the grant instead of the actual revenues.

Tenth. The President, if he determines that a major disaster is imminent, is authorized to use Federal departments, agencies, and instrumentalities to divert or lessen the effects of a disaster

before it actually occurs. Furthermore, the Director of the Office of Emergency Preparedness is directed to study and investigate what can be done to provide effective action to prevent or lessen losses of property and personal injury or deaths which could result from forest or grass fires, earthquakes, tornadoes, freezes and frosts, tsunami, storm surges and tides and floods which are or threaten to become major disasters. The report is due not later than 1 year after enactment and is required to contain recommendations.

Eleventh. The definitions of major disaster and other definitions as used in the act of September 30, 1950, as amended (42 U.S.C. 1855a) to the Disaster Relief Act of 1969 and section 9 of the Disaster Relief Act of 1966 are retained.

In addition, the act of September 30, 1950, as amended 42 U.S.C. 1855 (f), is amended to include the Disaster Relief Act of 1969 and section 9 of the Disaster Relief Act of 1966 within the provision authorizing Federal agencies to accept and utilize local services and facilities of consenting States or local governments. It would also extend that act's provision authorizing Federal agencies to employ temporary additional personnel without regard to the civil service laws. Section 9 of the Disaster Relief Act of 1966 authorizes sums necessary to reimburse not more than 50 percent of eligible costs incurred to repair, restore, or reconstruct any State, county, municipality, or local government agency project for flood control, navigation, irrigation, reclamation, public power, sewage treatment, water treatment, watershed development, or airport construction. The 1950 act would be further amended to provide that obligations may be incurred by an agency in the amount as may be made available out of funds specified to carry out this act or section 9 of the Disaster Relief Act of 1966 and the Disaster Relief Act of 1969 instead of only the funds specified under section 8 of the 1950 act. A further amendment to section 7 of the September 1950 act would again add section 9 of the Disaster Relief Act of 1969 to expenditures under section 3 of the 1950 act as eligible for reimbursement to a Federal agency. Section 3 authorizes Federal assistance by utilizing or lending to States or local governments equipment, supplies, facilities, personnel, and other resources. The President is granted broad authority through which he can use Federal departments or agencies to the best advantage under varying conditions to exercise the authorities granted him by this act, the act of September 30, 1950 (42 U.S.C. 1855-1855g), the Disaster Relief Act of 1966 and the Disaster Relief Act of 1969.

Twelfth. Mobile homes or other readily fabricated dwellings used as temporary housing in major disasters may be sold directly to the occupants thereof at fair and equitable prices. The intent of this provision is to provide primary housing to persons who have lost their dwelling place as the result of a major disaster, not to provide secondary or recreational housing. It is intended that the purchaser would have the responsibility to pro-

vide a location where the dwelling could be placed which met current requirements of State or local zoning ordinances or other laws respecting such dwelling units, and for movement of such dwelling to that location.

Thirteenth. Grants as temporary assistance in the form of mortgage or rental payments are authorized to individuals who have suffered severe financial hardship caused by a major disaster and who have received written notice of dispossession or eviction from their residence because of foreclosure of a mortgage or lien, cancellation of a contract of sale, or termination of a lease. This assistance could be furnished for not in excess of 1 year or until the individual's financial hardship ended, whichever was the lesser.

Fourteenth. As a general provision, the amendments made by this act, would apply to major disasters as determined by the President, to any natural disasters as determined by the Secretary of Agriculture and as determined by the Administrator of the Small Business Administration; which disasters occur on or after December 1, 1968. A declaration by the Administrator or Secretary would make available only the benefits of the sections of this act which each administer. It is also intended that whoever is eligible for Federal disaster relief assistance as a result of such a declaration in any of the above types of disaster declarations which occurred on or after December 1, 1968, and before the date of enactment of this act shall have the opportunity to make an election to receive benefits either under this act—including the amendments made by this act—or under the laws applicable to such disasters occurring prior to December 1, 1968.

Obviously, this bill is a very human expression of concern for the victims of disaster, not merely a series of technical amendments. We of the Committee on Public Works and especially those of us on its subcommittee regard it as a real contribution to the American tradition of concern for one's fellow man, of pooling our resources to help our neighbor in time of need. And we urge its enactment by this House.

Mr. DON H. CLAUSEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I believe the distinguished chairman has generally explained the basic objectives and an outline of the legislation. This is, of course, the fourth time that we have considered disaster relief legislation, and in essence it tends to combine the 1950, 1966, and 1969 acts into the act of 1970, into permanent legislation.

Just consider the experience we have had in the State of California alone, where we have had some 14 presidentially declared disasters within the last 10 years, and the other experiences we have had where the Committee on Flood Control has had to visit numerous areas throughout the Nation to ascertain the damage in those areas, and then come back with special legislation.

It is our intent to equip the executive branch, which we believe is now hampered, with the kind of authority to

move in the direction of a definite action program to give immediate relief to the people who need it at the most possibly important time in their life.

The bill before us today amends an existing law to clarify the scope and extent of Federal assistance that is authorized by Congress for the repair or restoration of facilities; for the provision of temporary housing to disaster victims; to require study and planning with the intention of ameliorating the effects of disasters by being prepared for them and by extending the provisions of certain disaster relief legislation to be broader in scope than existing law now provides.

On April 22, 1970, President Nixon, in the first special message to Congress on the subject of disaster assistance in 18 years, proposed far-reaching legislative and administrative changes to improve the Federal response to disaster emergencies. Our committee bill has many of the features of that proposal. Specifically, the following provisions of the administration bill, H.R. 17518, are included in the committee bill:

First. Liberalization of SBA and FHA disaster loans: The proposed legislation provides for forgiveness of up to \$2,500 on losses or damage in excess of \$500 on the principle of an SBA or FHA disaster loan.

Second. Tax revenue maintenance: This provision establishes a special fund in the Treasury to assist disaster-stricken communities suffering a substantial loss to the tax base.

Third. Public facility repairs or replacement: This relates to removal of the "Emergency Repair or Temporary Replacement" criteria of work on essential public facilities, with the proviso that the Federal cost of permanent repair or replacement not exceed the net worth of restoring the facility to its predisaster capacity.

Fourth. Coordination of relief organizations: It allows the President to contract or make agreements with private relief organizations in order that the activities of these organizations can be coordinated by appropriate officials.

Fifth. Predisaster assistance: In order to avert or diminish the impact of disasters in advance, the legislation authorizes the President to use Federal resources to assist any State or local government in circumstances which clearly indicate the imminent occurrence of a major disaster.

We anticipate that the bill before this House will provide for greater latitude in the administration for the repair of public facilities that is now available; would allow permanent repairs and replacement of public facilities to eliminate the practice of repeated temporary repairs resulting from inadequate facilities that are easily destroyed by subsequent disasters and serve very limited useful purpose during their life; would provide for rent-free occupancy of temporary housing or emergency shelter for a year; and permit the Federal Government to acquire this housing by any reasonable method, thus removing the limitation on leasing of facilities in existing law which has proven to be overly restrictive. In addition, provision is made for higher

forgiveness features for Small Business Administration loans in cases of hardship. Hardship, of course, is to be interpreted liberally. In keeping with the higher cost of money to the United States, basic interest rate on such loan is made to be in conformance with current 10- to 12-year obligations of the United States. Local governments under the new law will be eligible for grants for debris removal. Another provision requires that no person otherwise eligible for relocation assistance payments authorized by the House act of 1949 shall be denied such eligibility as a result of a major disaster. Grants will be available to local governments that have suffered a substantial loss of tax revenue and the President would be authorized to use Federal resources to divert or lessen the effects of a disaster before it actually occurs.

I would like to address my final remarks to section 7 of the proposed bill. This section directs the Office of Emergency Preparedness to investigate and study what can be done to provide effective action to prevent or minimize property loss, deaths, and injuries which could result from forest or grass fires, earthquakes, tornadoes, freezes and frosts, tsunamis, storm surges and tides, and floods which are or threaten to become major disasters. This section requires that the Director, OEP, shall report to Congress, not later than 1 year after the date of enactment of this act, his findings together with his recommendations.

"An ounce of prevention is worth a pound of cure." It is an old adage but it makes a lot of sense. A year and a half ago, Operation Foresight proved the value of preparedness and preventive measures. For an expenditure of about \$20 million for emergency dikes and levees, potential damages estimated at nearly \$200 million were saved. I am sure that much more can be done in terms of prevention and preparedness. It will save funds in the long run and I want the OEP to study and identify the hazard reduction measures, the plans, procedures, and facilities, that will enhance disaster readiness and reduce disaster relief expenditures and requirements.

Mr. Speaker, I feel that this legislation is of great importance and is of necessity to prevent undue hardship to our citizens as a result of disasters. I, therefore, urge this body to adopt the Disaster Relief Act of 1970.

Mr. JOHNSON of California. Mr. Speaker, one of the strengths of this great Nation of ours has been the willingness of individuals to extend a helping hand to their neighbors in times of difficulty and emergency. In a complex 20th century such as we now live the need to help thy neighbor is no less than it was in the early days of this country. However, the means of achieving it are far more complex. The disaster relief legislation which has been on the books the last 20 years provides an opportunity to all the people of this Nation to assist their neighbors in all areas of the country to overcome and rebuild in the wake of natural disasters.

Since I have been a Member of Con-

gress, we have had several major disasters—the Alaskan earthquake, the Christmas 1964 storms and floods in California and the Pacific Northwest, the Palm Sunday 1965 tornadoes which caused so much havoc in Illinois, Michigan, and Indiana, Hurricane Betsy, the California storms of January and February 1969, and the great grandmother of all hurricanes, Camille, which caused so much devastation throughout the Southern States and whose aftermath hit as far north as Virginia. And, as we meet here today, firefighters in California are cleaning up after one of the worst forest and brush fire disasters my State has ever experienced. In the past few days substantially more than 300,000 acres of land have been blackened, 500 homes have been burned to the ground, eight people have been killed, and more than 200 injured. Damage totals reach the hundreds of millions. Although accurate estimates of the loss cannot be made as yet, it is certain to exceed the 1969 storm totals which amounted to something more than \$110 million.

The examples I have cited are the major storms and disasters which we have experienced, but there have been hundreds of other lesser disasters in which the resources of the Federal Government were required to help the people recover from brutal treatment on the part of nature. I should say these were lesser storms and disasters only in terms of scope and geography. For those people hurt or killed and for those whose homes and property were destroyed, there was no greater disaster than some of these. During the 20 years since Public Law 81-875, which is our basic disaster legislation, was enacted in 1950, the President has declared disaster emergencies and ordered mobilization of Federal relief agencies 280 times, an average of 14 times a year. During the last 5 years, there have been 100 of these disasters, an average of 20 a year. In 1969 we witnessed one of the worst years in history with 20 disasters including, of course, the storms of California which claimed some 100 lives and Hurricane Camille which cost us 262 lives and \$1.5 billion in damage.

I would like to interject here, Mr. Speaker, a comment concerning the nature of disasters which I believe points up the need for streamlining our legislative authority for Federal assistance in these hours of need. At the turn of the century, the Galveston flood caused about \$30 million worth of damage; however, 6,000 lives were lost. Compare this with Hurricane Camille in which \$1.5 billion in damage was caused, but the death toll stood at 262. While one disaster death is one too many, I think this shows we are making great progress in the disaster forecasting and early warning alerts to give people an opportunity to seek adequate protection for their lives. It also points up the fact that as we build our cities, with more and more homes, public buildings, schools and other structures crowded closer and closer together, storms will take an increasingly higher toll in property damage. As property damage mounts, the ability of individuals, local and State governments

to cope with reconstruction costs is reduced. Federal disaster legislation must reflect this change.

The Public Works Committee under the distinguished leadership of the gentleman from Maryland, Representative GEORGE FALLON, and with the farsighted guidance of the Flood Control Subcommittee chairman, the gentleman from Alabama (ROBERT JONES), has performed a great and humanitarian role over the years in providing Federal disaster assistance tailored to fit individual disaster situations.

As you will recall, the Alaskan earthquake, the Pacific Northwest disaster of 1965, Hurricane Betsy, all required special legislation to meet the problems in those devastated areas. None was permanent legislation, but through the legislative history and the administration of these bills, we built a tremendous store of knowledge concerning the needs for disaster relief.

In the 1969 act, the scope of the legislation was made general, broadened and refined. We had a good bill. Operations in the California storms and Hurricane Camille and other disaster situations which we have experienced throughout 1969 and this year prove this. And the legislation, I am pleased to report, will be of tremendous value to the people of California in the wake of the fire disaster.

However, most provisions of the 1969 act will expire at the end of this calendar year. It is time that we make permanent those provisions which have proven valuable and at the same time strengthen and refine them. It is with this in mind that I introduce H.R. 18608, the Federal Disaster Assistance Act of 1970, which I believe reflects not only the best of the recommendations proposed by the administration, but also the experience the Congress has had in disaster relief. I am pleased that most of the provisions of my proposal are incorporated in S. 3619 which we have before us today. I must also say the Public Works Committee, drawing upon its great experience and knowledge of disaster situations, has refined and expanded my original proposal.

The result is, I am convinced, a fine bill which is worthy of approval today by the House of Representatives. A brief summary of the proposal follows:

Section 2 titles the proposal the Federal Disaster Assistance Act of 1970.

Section 2 strengthens and broadens Public Law 81-875, the basic disaster assistance program first enacted in 1950, to make it more responsive to the needs of the decade of the 1970's. Basically this is accomplished through a more realistic definition of "public facilities" which can be rehabilitated and repaired under the provisions of this act, making it possible for the Federal Government to assist in the restoration of all public facilities.

Second, this section provides for permanent restoration of facilities under the provisions of Public Law 81-875. You will recall that initially the 1950 Disaster Act permitted only temporary replacements, which proved inadequate. The 1969 Disaster Act broke new ground in

this area by providing that permanent restoration could be achieved on streets, roads, and highways. This has worked very well and proved most beneficial. Therefore, this legislation as drafted would extend this to all programs covered under Public Law 81-875. Protections are incorporated to prevent local government from obtaining a windfall by which the Federal Government would be financing expansion of facilities.

Section 2 also provides for temporary emergency housing and shelter, including the leasing of mobile homes, the need for which has been demonstrated in past disasters. It goes one step further than the 1969 act did in that it provides for no rentals to be charged for these emergency accommodations during the first 12 months. This may sound extremely generous, but the experience has been that with the head of the family out of work because of the disaster, his income has stopped and he is trying to keep his family alive on food stamps. Second, the administrative cost of collecting rents far exceeds the rents collected and, therefore, the net return is negligible. We do include a provision which requires the institution of rental charges after the first year just so that the disaster-stricken individual will learn to get back on his own feet and not make a habit of living in rent-free accommodations. This is rehabilitation legislation—not welfare legislation.

Section 3 of H.R. 18608 refines, strengthens and makes permanent many of the provisions of the Disaster Relief Act of 1969.

Touching first of all on the disaster relief program of the Small Business Administration and the Farmers Home Administration, it has been discovered over the years that the 3-percent disaster loan authorized for the Small Business Administration has not been available to the extent that it should be. We tried to make this mandatory by legislation, but actually it was an executive decision. The language we have before us today is more realistic. It provides that loans will be made without regard to whether private sources are available for such loans and the interest rate shall be 1 percent less than the average which the Treasury is paying for its outstanding marketable obligations with periods of maturity to 10 to 12 years. In no event shall any loan be made in excess of 6 percent. At the present time this would mean that the emergency disaster loans in these two programs—SBA and FHA—would be made at something less than 6 percent, which I believe is a realistic figure. Along with the increased interest rate, we have also increased the forgiveness, which follows a pattern first established for Hurricane Betsy. We propose to increase the maximum forgiveness to \$2,500. We also specify that a loan under this section shall not be denied on the basis of the age of the applicant.

Section 3 also deals with the problem of clearance of debris and wreckage from publicly and privately owned lands and waters. The 1969 act authorized the State and local governments to assist in removing this type of debris. S. 3619 provides that the Federal departments and agen-

cies also may do this. We found that last year on many occasions it would be most expeditious for the Federal agencies on the scene to take care of this rather than waiting for the State or local government equipment and/or personnel, which often were overextended. In each instance, however, we have specified that the State or local governments affected must arrange for permission to remove the debris or wreckage from the public or private property involved and also shall indemnify the Federal Government against any claims arising from such removal.

Section 3 of this bill also would make permanent several provisions of the 1969 act which otherwise would expire on December 31, 1970. This includes: First, the Small Business and Farmers Home Administration programs which I mentioned above; second, authority to expedite timber sales in areas of heavy loss to salvage downed timber and also to rebuild the lumber-based economies; third, assistance in reconstruction of timber sale roads; fourth, special unemployment compensation to those individuals jobless as a result of the major disaster; fifth, extension of emergency food stamp provisions to those disaster victims. In other words, we are making permanent all the better provisions of the 1969 act, which I feel was an outstanding piece of legislation.

Section 4 provides that no person eligible for relocation assistance under urban renewal programs of the Department of Housing and Urban Development shall be denied this as a result of a disaster.

Section 5 is a new approach but is one that is needed desperately. This provides assistance to local governments where property tax revenues have decreased dramatically due to a disaster. When a man's house is wiped out, you obviously cannot tax it. Hurricane Camille experience was such that many local governmental agencies bordered on bankruptcy because of the substantial loss of tax base. It is proposed that Federal grants be made to help finance local government during the 2 years immediately after a disaster. The amount of the grant would be based on the average of the property tax revenues received by the local government during the 3-tax-year periods preceding the disaster. The provisions state quite clearly that local government cannot reduce its rates in order to take advantage of this.

Section 6 provides the President with authority to mobilize Federal departments and agencies before a disaster strikes. This means that when a major disaster appears imminent, and we certainly are getting more and more advance warning due to our better weather forecasting provisions, the President may put to work the full resources of the Federal Government before the disaster strikes to avert or lessen the effects of such a disaster. This is the old philosophy that an ounce of prevention is worth far more than a pound of cure.

Section 7 directs the Office of Emergency Preparedness to conduct a 1-year study to determine additional ways to prevent or lessen property losses and personal injuries and deaths from forest

fires, earthquakes, tornadoes, freezes and frosts, tsunami, storms, tides and floods which are or threaten to become major disasters.

Section 8 incorporates in the new legislation some of the definitions and provisions of the 20-year-old-Public Law 81-875, including such things as authorization for Federal agencies to accept and utilize local services and facilities of State and local governments, extension of liberalized Federal employment and contracting practices, and reimbursement from disaster funds of expenditures by Federal agencies.

Section 9 extends the earlier authority of the President to utilize resources of all Federal departments and agencies in a disaster.

Section 10 authorizes the sale to disaster victims at fair and equitable prices the mobile homes or other emergency housing they may be occupying.

Section 11 provides a program of mortgage assistance to families being evicted because of disaster caused financial hardships.

Section 12 makes the provisions of the act available to victims of any disaster which has occurred since December 1, 1968.

Mr. Speaker, this is an outline of the provisions of the legislation which I put before you. In conclusion, I do want to say it reflects the best of what Congress has done through past leadership in meeting the needs of our people in our local communities, including their State and local governments, in disaster situations. I think that it is a realistic bill and one which is truly in the American tradition of extending a helping hand to a neighbor in a time of trouble. May I again congratulate the Public Works Committee and its chairman for the work which they have done over the last 10 to 12 years in providing this type of assistance. Many a community would still be in ruins today if it had not been for the hard work, diligence, and wisdom of this committee and the Congress in providing the means whereby a stricken community could mop up, rebuild, and get back on its economic feet.

I urge my colleagues in the House of Representatives to continue this effort through enactment of S. 3619 today.

Mr. FALLON. Mr. Speaker, I rise in support of S. 3619, the Disaster Relief Act of 1970. At the outset may I commend the chairman of the Subcommittee on Flood Control, my good friend, the gentleman from Alabama (Mr. JONES), the ranking minority member of that subcommittee, the gentleman from California (Mr. DON CLAUSEN) and all the members of the subcommittee for the fine work they have done on this needed legislation.

The Committee on Public Works has moved expeditiously and rapidly through the years responding to disasters of all types which have stricken all sections of the country. On numerous occasions we have sent subcommittees to these areas to obtain first hand information on the disaster and to meet with our fellow citizens who have been afflicted by these disasters. In addition, we have enacted legislation over the years to help in these

areas which can be seen from the acts of 1966 and 1969.

We have come to the conclusion in the committee that there is need for permanent legislation to embody into law those many sections of legislation we have passed in the past to help stricken areas which have proved so helpful in relieving the stricken area. The legislation before us makes permanent many of these needed sections so that immediately upon the declaration for Federal assistance under this legislation there will be available under the bill needed assistance provided at once. I think this bill is needed and I support it.

Mr. PICKLE. Mr. Speaker, since the beginning of this year, I have witnessed four major disasters in my own State, one of them—the floods at San Marcos—directly in my congressional district. Needless to say, we still have a long way to go to recover from these catastrophies, and many other States face similar situations.

As it is now proposed, S. 3619 not only improves our ability to recover from future natural disasters, but will greatly aid us in our continued efforts to recover from those disasters in our recent past. This legislation widens the aid offered to State and local governments to assist in their own recovery and to replace destroyed public facilities. It helps those who stand to lose their homes because their jobs were destroyed in the disaster.

And in a key provision, this bill takes into account our rising construction costs and property values by raising the amount of a disaster loan which may be canceled and by making this provision retroactive. This latter provision applies to loans administered in disasters declared by the President, by the Farmers Home Administration, or by the Small Business Administration. It will be a crucial factor in helping many homeowners and businessmen to recover. It is particularly the case where our low-income and middle-income homeowners and businessmen are concerned.

The previous law allowed loan cancellations of up to \$1,800 on loans over \$500 at 3 percent. This new legislation proposes upping the amount eligible for cancellation to \$2,500 at no more than 6 percent and makes this provision retroactive to December 1, 1968. The borrower is allowed to choose between the old and new rates, depending on which will be best for his individual needs. Although the interest rate is raised, the overall benefit will still weigh heavily with the borrower. And although this provision will create some additional work for the agencies lending the money, I do not think the additional trouble will be nearly enough to offset the good of this provision.

My colleague from Texas, Senator YARBOROUGH, led the battle for initiating the retroactive character of this provision on the Senate side. The Senate version of the disaster bill makes the loan cancellation provision retroactive to April 1, 1970. I am pleased to see that the House has picked up the ball and increased the number of disaster areas that would be included in this retroactive provision.

In summary, I would say that this is not only an important bill, it is a sound and balanced bill. I urge your support of this excellent piece of legislation.

Mr. BELL of California. Mr. Speaker, I join my colleagues today in support of S. 3619, legislation which will revise and expand Federal programs to deal with disasters such as the recent tragic forest and brush fires in the State of California.

These most disastrous fires in the history of the State of California cost 14 lives and over \$200 million in damage.

About 800 homes were destroyed. Over 1,200 other structures, including four houses of worship, were decimated. Fourteen people were killed, and over 350 were injured. Thousands were forced to leave their homes to escape the blazes.

The California Disaster Office estimated private property loss at over \$154 million and public damage of at least \$11 million.

The fires were fanned by violent winds, and they cut a path nearly 40 miles long from Newhall in the San Fernando Valley through Malibu and Topanga Canyons down to the sea.

The magnitude of human suffering as a result of these disasters is unmeasurable.

Our firemen—over 2,000 of them—demonstrated magnificent courage. Working hour after hour with no sleep, fire-fighters battled the intense heat to save untold numbers of lives, homes, and valuable acreage.

The magnitude of these disasters calls for swift, efficient, and comprehensive action by the Federal Government to assist local and State efforts to remedy the effects of this holocaust. The legislation which I am supporting today would extend coverage offered by the Federal Government so that homes, businesses, highways, and other property damage and losses can be compensated.

This legislation provides for the temporary housing of disaster victims and authorizes the President to provide financial assistance in the form of mortgage or rental payments to individuals or families who have suffered financial disaster caused by a major disaster.

It provides for relocation assistance payments and for the removal of debris from lands and waters with the aid of Federal agencies. Grants would be made to local governments to compensate for substantial loss of property tax revenues.

Finally, the act provides for studies by the Office of Emergency Preparedness to determine what plans, procedures, and facilities are needed to help prevent a recurrence of such a disaster.

Hopefully, the relief provided by this legislation will alleviate a portion of the enormity of suffering occasioned by the most disastrous fires in the history of the State of California.

Mr. ANDERSON of California. Mr. Speaker, I rise in support of S. 3619, a bill to revise and expand Federal programs for relief from the effects on major disasters.

My home State of California has been particularly hard hit by natural disasters over the last 2 years. In January 1969, heavy rain storms brought flooding and mudslides in their wake. Roads, bridges,

dikes, and levees were destroyed. Residents were forced to move from their homes. On January 26, 1969, 37 of California's 58 counties were declared disaster areas. More recently, fires have wreaked havoc on major portions of California.

I am particularly pleased to be a member of the Public Works Committee which has primary responsibility for initiating legislation to aid those who have suffered from natural disasters, and to attempt to reduce the impact of disasters in the future.

Last year, our committee initiated the National Disaster Relief Act of 1969 primarily to relieve those communities which were hit in California by floods and to aid the victims of Hurricane Camille.

Due to this legislation and other action, California was the recipient of over \$111 million in the form of Federal disaster assistance.

Mr. Speaker, while one disaster death is one too many, I feel that our efforts over the years to protect lives have been successful and the legislation should be extended and broadened. For example, at the turn of the century, the Galveston flood caused about \$30 million worth of damage; however, 6,000 lives were lost. Compare this with Hurricane Camille in which \$1.5 billion in damage was caused, but the death toll stood at 258. In addition, experts have estimated that \$3 in losses have been prevented for \$1 invested in flood control structures.

Mr. Chairman, the act before us (S. 3619) is a progressive step. Section 2 extends the scope of Federal aid to permit making permanent repairs and replacements of public facilities. The Federal contribution would be limited to the cost of restoring the facility using the basis of design of that facility as it existed immediately prior to the disaster.

Section 5 is designed to aid those communities which have lost property tax revenue by a substantial portion a community's property tax base is destroyed by a natural disaster. Under this section, the President is authorized to make grants to any local government which, as a result of a major disaster, has suffered a substantial loss of both real and personal property tax revenue.

Last year, I introduced H.R. 14781 which would provide earthquake and earthslide insurance under the Housing and Urban Development flood insurance program. In order to implement this program, the Department of Housing and Urban Development feels that more knowledge and experience is needed in order to establish an actuarial insurance rate for earthslides and earthquakes.

Under section 7 of the Disaster Relief Act of 1970, the Director of the Office of Emergency Preparedness is directed to study ways to provide effective action to prevent or lessen losses of property and personal injury or deaths which could result from earthquakes, tsunami, storm surges and tides, and floods. This report should aid the Federal Insurance Administrator in making determinations for extending the present flood insurance program to other areas.

Again, Mr. Speaker, I commend you for your action in this field, and heartily endorse S. 3619, the Disaster Relief Act of 1970.

The SPEAKER. The question is on the motion offered by the gentleman from Alabama (Mr. JONES) that the House suspend the rules and pass the bill S. 3619, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. JONES of Alabama. Mr. Speaker, I ask unanimous consent that all Members may extend their remarks on the bill just passed, S. 3619.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

VOYAGEURS NATIONAL PARK, MINN.

Mr. TAYLOR. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 10482) to authorize the establishment of the Voyageurs National Park in the State of Minnesota, and for other purposes, as amended.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the purpose of this Act is to preserve, for the inspiration and enjoyment of present and future generations, the outstanding scenery, geological conditions, and waterway system which constituted a part of the historic route of the Voyageurs who contributed significantly to the opening of the Northwestern United States.

ESTABLISHMENT

SEC. 101. In furtherance of the purpose of this Act, the Secretary of the Interior (hereinafter referred to as the "Secretary") is authorized to establish the Voyageurs National Park (hereinafter referred to as the "park") in the State of Minnesota, by publication of notice to that effect in the Federal Register at such time as the Secretary deems sufficient interests in lands or waters have been acquired for administration in accordance with the purposes of this Act: *Provided*, That the Secretary shall not establish the park until the lands owned by the State of Minnesota and any of its political subdivisions within the boundaries shall have been donated to the Secretary for the purposes of the park.

SEC. 102. The park shall include the lands and waters within the boundaries as generally depicted on the drawing entitled "A Proposed Voyageurs National Park, Minnesota," numbered LNPMW-VOYA-1001, dated February 1969, which shall be on file and available for public inspection in the offices of the National Park Service, Department of the Interior. Within one year after acquisition of the lands owned by the State of Minnesota and its political subdivisions within the boundaries of the park the Secretary shall affix to such drawing an exact legal description of said boundaries. The Secretary may revise the boundaries of the park from time to time by publishing in the Federal Register a revised drawing or other boundary description, but such revisions shall not increase the land acreage within the park by more than one thousand acres.

LAND ACQUISITION

SEC. 201. (a) The Secretary may acquire lands or interests therein within the boundaries of the park by donation, purchase with donated or appropriated funds, or exchange. When any tract of land is only partly within such boundaries, the Secretary may acquire all or any portion of the land outside of such boundaries in order to minimize the payment of severance costs. Land so acquired outside of the park boundaries may be exchanged by the Secretary for non-Federal lands within the park boundaries. Any portion of land acquired outside the park boundaries and not utilized for exchange shall be reported to the General Services Administration for disposal under the Federal Property and Administrative Services Act of 1949 (63 Stat. 377), as amended. Any Federal property located within the boundaries of the park may be transferred without consideration to the administrative jurisdiction of the Secretary for the purposes of the park. Lands within the boundaries of the park owned by the State of Minnesota, or any political subdivision thereof, may be acquired only by donation.

(b) In exercising his authority to acquire property under this section, the Secretary shall give immediate and careful consideration to any offer made by any individual owning property within the park area to sell such property to the Secretary. In considering such offer, the Secretary shall take into consideration any hardship to the owner which might result from any undue delay in acquiring his property.

SEC. 202. (a) Any owner or owners (hereinafter referred to as "owner") of improved property on the date of its acquisition by the Secretary may, if the Secretary determines that such improved property is not, at the time of its acquisition, required for the proper administration of the park, as a condition of such acquisition, retain for themselves and their successors or assigns a right of use and occupancy of the improved property for noncommercial residential purposes for a definite term not to exceed twenty-five years, or, in lieu thereof, for a term ending at the death of the owner, or the death of his spouse, which ever is later. The owner shall elect the term to be retained. The Secretary shall pay to the owner the fair market value of the property on the date of such acquisition less the fair market value on such date of the right retained by the owner.

(b) If the State of Minnesota donates to the United States any lands within the boundaries of the park subject to an outstanding lease on which the lessee began construction of a noncommercial or recreational residential dwelling prior to January 1, 1969, the Secretary may grant to such lessee a right of use and occupancy for such period of time as the Secretary, in his discretion, shall determine: *Provided*, That no such right of use and occupancy shall be granted, extended, or continue after ten years from the date of the establishment of the park.

(c) Any right of use and occupancy retained or granted pursuant to this section shall be subject to termination by the Secretary upon his determination that such use and occupancy is being exercised in a manner not consistent with the purposes of this Act, or upon his determination that the property is required for the proper administration of the park. The Secretary shall tender to the holder of the right so terminated an amount equal to the fair market value of that portion of the right which remains unexpired on the date of termination.

(d) The term "improved property," as used in this section, shall mean a detached, noncommercial residential dwelling, the construction of which was begun before January 1, 1969, together with so much of the

land on which the dwelling is situated, the said land being in the same ownership as the dwelling, as the Secretary shall designate to be reasonably necessary for the enjoyment of the dwelling for the sole purpose of noncommercial residential use, together with any structures accessory to the dwelling which are situated on the land so designated.

SEC. 203. Notwithstanding any other provision of law, the Secretary is authorized to negotiate and enter into concession contracts with former owners of commercial, recreational, resort, or similar properties located within the park boundaries for the provision of such services at their former location as he may deem necessary for the accommodation of visitors.

SEC. 204. The Secretary is authorized to pay a differential in value, as hereinafter set forth, to any owner of commercial timberlands within the park with whom the State of Minnesota has negotiated, for the purpose of conveyance to the United States an exchange of lands for State lands outside the park. Payment hereunder may be made when an exchange is based upon valuations for timber purposes only, and shall be the difference between the value of such lands for timber purposes, as agreeable to the State, the Secretary, and any owner, and the higher value, if any, of such lands for recreational purposes not attributable to establishment or authorization of the park: *Provided*, That any payment shall be made only at such time as fee title of lands so acquired within the boundaries is conveyed to the United States.

ADMINISTRATION

SEC. 301. (a) Except as hereinafter provided, the Secretary shall administer the lands acquired for the park, and after establishment shall administer the park, in accordance with the provisions of the Act of August 25, 1916 (39 Stat. 535) as amended and supplemented (16 U.S.C. 1-4).

(b) Within four years from the date of establishment, the Secretary of the Interior shall review the area within the Voyageurs National Park and shall report to the President, in accordance with subsections 3(c) and 3(d) of the Wilderness Act (78 Stat. 890; 16 U.S.C. 1132 (c) and (d)), his recommendation as to the suitability or nonsuitability of any area within the lakeshore for preservation as wilderness, and any designation of any such area as a wilderness may be accomplished in accordance with said subsections of the Wilderness Act.

SEC. 302. (a) The Secretary shall permit recreational fishing on lands and waters under his jurisdiction within the boundaries of the park in accordance with applicable laws of the United States and of the State of Minnesota, except that the Secretary may designate zones where and establish periods when no fishing shall be permitted for reasons of public safety, administration, fish and wildlife management, or public use and enjoyment. Except in emergencies, any regulations of the Secretary pursuant to this section shall be put into effect only after consultation with the appropriate agency of the State of Minnesota.

(b) The seining of fish at Shoepac Lake by the State of Minnesota to secure eggs for propagation purposes shall be continued in accordance with plans mutually acceptable to the State and the Secretary.

SEC. 303. The Secretary may, when planning for development of the park, include appropriate provisions for (1) winter sports, including the use of snowmobiles, (2) use by seaplanes, and (3) use by all types of watercraft, including houseboats, runabouts, canoes, sailboats, fishing boats, and cabin cruisers.

SEC. 304. Nothing in this Act shall be construed to affect the provision of any treaty now or hereafter in force between the United States and Great Britain relating to Canada or between the United States and Canada,

or of any order or agreement made or entered into pursuant to any such treaty, which by its terms would be applicable to the lands and waters which may be acquired by the Secretary hereunder, including, without limitation on the generality of the foregoing, the Convention Between the United States and Canada on Emergency Regulation of Level and Rainy Lake and of Other Boundary Waters in the Rainy Lake Watershed, signed September 15, 1938, and any order issued pursuant thereto.

SEC. 305. The Secretary is authorized to make provision for such roads within the park as are, or will be, necessary to assure access from present and future State roads to public facilities within the park.

APPROPRIATIONS

SEC. 306. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act, not to exceed, however, \$26,014,000 for the acquisition of property, and not to exceed \$19,179,000 (June 1969 prices) for development, plus or minus such amounts, if any, as may be justified by reason of ordinary fluctuations in construction costs as indicated by engineering cost indices applicable to the types of construction involved herein.

The SPEAKER. Is a second demanded?

MR. TAYLOR. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

MR. TAYLOR. Mr. Speaker, I yield myself 10 minutes.

(Mr. TAYLOR asked and was given permission to revise and extend his remarks.)

MR. TAYLOR. Mr. Speaker, the bill now before the House is H.R. 10482 by Representative BLATNIK and all of the Members of the House delegation from Minnesota. It provides for the creation of the Voyageurs National Park.

LEGISLATIVE BACKGROUND

Last year, several members of the Subcommittee on National Parks and Recreation had an opportunity to visit this beautiful part of the State of Minnesota. In the short time available to us, we viewed much of the area from the air, from the water, and on the ground. Needless to say, it is a magnificent part of the famous lake country of Minnesota.

During our visit in the area, we conducted a lengthy public hearing in the city of International Falls. At that time, we heard the views of opponents and proponents of the legislation and we were satisfied that every conceivable viewpoint was represented.

This summer, additional hearings were held in Washington. During the course of those hearings, three principal issues emerged:

First, should hunting be permitted in the area?

Second, should the State be compensated for lands which it owns within the park boundaries?

Third, should the Forest Service retain administrative jurisdiction over the so-called Crane Lake Addition?

On all of these questions, the committee decided in the negative. With respect to hunting, it was felt that no deviation from the usual prohibition should be permitted if the area is to become a national park. Almost everyone who recom-

mended national recognition of the area indicated that national park status seemed most appropriate, though some witnesses did want to continue to permit hunting in the area.

As a general policy, of course, recreational hunting is not permitted in national parks and monuments. The members of the committee feel strongly that no exception should be made to this rule. While the annual deer harvest is substantial in this proposed park area, it is expected that the deer population will gradually adjust itself as parts of the area return to climax forest vegetation.

The State lands question became the most difficult one to resolve. At first, the Governor of the State seemed to insist that the State be compensated in dollars or land for the lands which it owned within the proposed park boundaries—even through the usual congressional policy has been to require the acquisition of State lands by donation only. In the weeks that followed our hearings, the Governor apparently reviewed this matter and determined that the State could make the lands available without cost to the Federal Government. With this understanding, the sponsor of the bill, the gentleman from Minnesota (Mr. BLATNIK) urged the committee to consider the proposed legislation in detail and suggested some of the revisions which the committee ultimately adopted.

PROVISIONS OF H.R. 10482, AS AMENDED

The most important elements of the bill recommended by the committee involve the issues which I have mentioned. First, the bill recognizes the value of this area as a potential national park. Few places in the country contain the attributes required to be designated as a national park, but those that do are best described in superlatives. The proposed Voyageurs National Park is worthy of national park status because it contains significant natural and geological features worthy of national recognition; because it possesses nationally significant scenic and recreation values; and because it offers an opportunity to interpret, for the edification of the public, the historic role of the Voyageurs in our cultural heritage.

The committee is recommending a national park comprising about 139,000 acres of land and 80,000 acres of water. If approved by Congress, it will include the so-called Crane Lake Addition as proposed by every Member of the Minnesota delegation. Naturally, the Forest Service would rather retain this 35,000-acre area, but the committee felt that it should be managed in accordance with national park standards and it is the function of the Congress to determine how the public lands shall be used. While this area constitutes a substantial part of the proposed park, it is a relatively minor part of the existing 3-million acre Superior National Forest.

Because the committee believes that the area should be managed as a national park, the committee amendment makes it generally consistent with the usual standards applicable to national parks. It deleted provisions permitting hunting, trapping and commercial fishing, and all of the other provisions which would



DIGEST of Congressional Proceedings

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(FOR INFORMATION ONLY;
NOT TO BE QUOTED OR CITED)

For actions of October 9, 1970
91st-2nd; No. 178

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HIGHLIGHTS: Sen. Mansfield stated formation of National Wheat Institute forecasts much greater emphasis on intelligent consumption of wheat.

SENATE

1. FISH & WILDLIFE. Passed with amendment H.R. 12475, providing for funds for fish and wildlife restoration programs. pp. S17616-17
2. DISASTER LOANS. Disagreed to House amendments to S. 3619, to establish a comprehensive Federal program for disaster relief and assistance. Conference requested and conferees appointed. pp. S17661-3

3. WILDERNESS. Committee on Interior and Insular Affairs reported with amendments S. 1142 to classify as wilderness national forest lands adjacent to the Eagle Cap Wilderness Area, Oregon. (S. Rept. 91-1317). p. S17620
4. CONSERVATION. Sen. Magnuson praised a N.E.T. series, "Our Vanishing Wilderness" and placed in the Record a newspaper article describing the programs. pp. S17613-14
5. WHEAT INSTITUTE. Sen. Mansfield hailed the formation of the National Wheat Institute as evidence of a cohesive and comprehensive effort to produce a national program of research and market development for wheat, and an effort to increase the domestic consumption. pp. S17620-22
6. AGRICULTURAL TRADE. Sen. Hatfield placed in the Record the report of Sen. Pearson on the "Importance of International Trade to Kansas Agriculture". p. S17625
7. ADJOURNED until Monday, October 12.

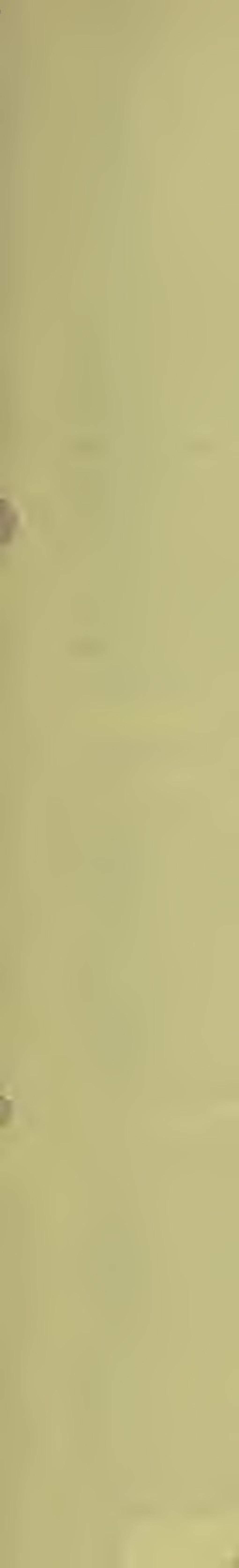
EXTENSION OF REMARKS

8. GREEN REVOLUTION. Rep. Zablocki included 4 reviews of a book Seeds of Change: The Green Revolution and International Development in the 1970's, noting that while there are many problems connected with the Green Revolution, critics should consider what the conditions would be like in poor countries today without it. pp. E9142-8

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COMMITTEE HEARINGS ANNOUNCEMENTS OCTOBER 12:
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to pass this amendment and get it consummated by both Houses of Congress.

It is just this type of extraneous amendment that will make it extremely difficult to have this matter considered in the normal course of business in the House. I know that the Senator is a dedicated fighter for what he believes is right. Although the Senator from Indiana might disagree with the relative merits of this proposal, I wonder if over the weekend the Senator from Alabama might not consider the advisability of letting this particular measure stand on its own merits and not try to commingle it with the equal rights amendment.

I say that because I know he is a supporter of that amendment. It is the judgment of this Senator who, as chairman of that subcommittee, has become rather familiar with the nuances of how different measures pass, that if this measure goes back to the House with the amendment added to it, it will be defeated.

Because of this familiarity, I suggest that it might be worthy of consideration if we find some other measure to attach the amendment to, since it would very likely be the death knell to the equal rights amendment.

I am sure that the Senator from Alabama would not want that to happen.

CORRECTION OF ANNOUNCEMENT ON VOTE

Mr. BYRD of West Virginia. Mr. President, the name of the distinguished Senator from Nevada (Mr. CANNON) was inadvertently omitted from the list of Senators favoring passage last night of H.R. 17825, the Omnibus Crime and Safe Streets Act. Had he been present, he would have voted "yea." I ask unanimous consent that the permanent RECORD be changed to reflect his position.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

RELIEF OF JOHNNY MASON, JR. (JOHNNY TRINIDAD MASON, JR.)

Mr. BYRD of West Virginia. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 3529.

The ACTING PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 3529) for the relief of Johnny Mason, Jr. (Johnny Trinidad Mason, Jr.), which was on page 1, line 8, strike out all after "mother" down through and including "age," in line 9, and insert "or brothers or sisters of the beneficiary shall not, by virtue of such relationship."

Mr. BYRD of West Virginia. Mr. President, this matter was cleared with the other side yesterday.

By request, I move that the Senate concur in the amendment of the House.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from West Virginia.

The motion was agreed to.

DISASTER RELIEF ACT OF 1970

Mr. BYRD of West Virginia. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 3619.

The ACTING PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 3619) to revise and expand Federal programs for relief from the effects of major disasters, and for other purposes, which was to strike out all after the enacting clause and insert:

That this Act may be cited as the "Disaster Relief Act of 1970".

Sec. 2. The Act entitled "An Act to authorize Federal assistance to States and local governments in major disasters, and for other purposes", approved September 30, 1950 (Public Law 875, Eighty-first Congress; 42 U.S.C. 1855-1855g), as amended, is amended as follows:

(1) The first section is amended by striking out "essential".

(2) Section 2(a) is amended (A) by striking out "disaster assistance under this Act" and inserting in lieu thereof "Federal disaster assistance"; and (B) by striking out "(or the Board of Commissioners of the District of Columbia)".

(3) Section 2(c) is amended by striking out the period at the end thereof and inserting in lieu thereof a comma and the following: "and the District of Columbia;".

(4) Section 2(e) is amended by striking out ", or the District of Columbia".

(5) Section 3(d) is amended to read as follows: "(d) by performing on public or private lands protective, emergency, and other work essential for the preservation of life and property; making repairs to and replacements of public facilities (including street, road, and highway facilities) of States and local governments damaged or destroyed in such major disaster, except that the Federal contributions therefor shall not exceed the net cost of restoring each such facility on the basis of the design of such facility as it existed immediately prior to the disaster in conformity with current codes, specifications, and standards; providing temporary housing or other emergency shelter, including, but not limited to, mobile homes or other readily fabricated dwellings for those who, as a result of such major disaster, require temporary housing or other emergency shelter, except that for the first twelve months of occupancy no rentals shall be established for any such accommodations, thereafter rentals shall be established, based upon fair market value of the accommodations being furnished, adjusted to take into consideration the financial ability of the occupant; and making contributions to States and local governments for the purposes stated in this clause."

(6) Section 3(b) is amended by inserting immediately after "Red Cross" a comma and the following: "the Salvation Army".

Sec. 3. The Disaster Relief Act of 1969 (Public Law 91-79; 83 Stat. 125) is amended as follows:

(1) Section 6 is amended to read as follows:

"SEC. 6. (a) In the administration of the disaster loan program under sections 7(b) (1), (2), and (4) of the Small Business Act, as amended (15 U.S.C. 636(b)), in the case of injury, loss, or damage resulting from a major disaster as determined by the President, a natural disaster as determined by the Secretary of Agriculture, and a disaster as determined by the Administrator of the Small Business Administration—

"(1) to the extent such injury, loss, or damage is not compensated for by insurance

or otherwise, may grant any loan for repair, rehabilitation, or replacement of property injured, damaged, or destroyed, without regard to whether the required financial assistance is otherwise available from private sources.

"(2) may, in the case of the total destruction or substantial property damage of a home or business concern, refinance any mortgage or other liens outstanding against the destroyed or damaged property if such property is to be repaired, rehabilitated, or replaced, except that the amount refinanced shall not exceed the amount of the physical loss sustained. This clause shall apply only to loans made to cover injury, losses, and damage resulting from major disasters as determined by the President.

"(3) to the extent that repayment of a loan made under this section would constitute a hardship upon the borrower, may, on that part of any loan in excess of \$500, cancel the principal of the loan, except that the total amount so canceled shall not exceed \$2,500. This clause shall apply only to loans made to cover injury, losses, and damage resulting from major disasters as determined by the President.

"(4) may defer interest payments or principal payments, or both, in whole or in part, on any loan made under this section during the first three years of the term of the loan, except that any such deferred payments shall bear interest at the rate determined under subsection (b) of this section.

"(b) Any loan made under this section shall not exceed the current cost of repairing or replacing the disaster injury, loss, or damage in conformity with current codes and specifications. Any such loan (including any refinancing under clause (2) and any deferred payment under clause (4) of subsection (a)) shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity of ten to twelve years reduced by not to exceed 1 per centum per annum. In no event shall any loan made under this section bear interest at a rate in excess of 6 per centum per annum.

"(c) A loan under this section shall not be denied on the basis of the age of the applicant."

(2) Section 7 is amended to read as follows:

"SEC. 7. (a) In the administration of the emergency loan program under subtitle C of the Consolidated Farmers Home Administration Act of 1961, as amended (7 U.S.C. 1961-1967), and the rural housing loan program under section 502 of title V of the Housing Act of 1949, as amended (42 U.S.C. 1472), in the case of loss or damage resulting from a major disaster as determined by the President, or a natural disaster as determined by the Secretary of Agriculture, the Secretary of Agriculture—

"(1) to the extent such loss or damage is not compensated for by insurance or otherwise, may grant any loan for the repair, rehabilitation, or replacement of property damaged or destroyed, without regard to whether the required financial assistance is otherwise available from private sources.

"(2) may, in the case of the total destruction or substantial property damage of homes or farm service buildings and related structures and equipment, refinance any mortgage or other liens outstanding against the destroyed or damaged property if such property is to be repaired, rehabilitated, or replaced, except that the amount refinanced shall not exceed the amount of the physical loss sustained. This clause shall apply only to loans made to cover losses and damage resulting from major disasters as determined by the President.

"(3) to the extent that repayment of such loan made under this section would constitute a hardship upon the borrower, may, on that part of any loan in excess of \$500, cancel the principal of the loan, except that the total amount so canceled shall not exceed \$2,500. This clause shall apply only to loans made to cover losses and damage resulting from major disasters as determined by the President.

"(4) may defer interest payments or principal payments, or both, in whole or in part, on loans made under this section during the first three years of the term of the loan, except that any such deferred payments shall themselves bear interest at the rate determined under subsection (b) of this section.

"(b) Any loan made under this section shall not exceed the current cost of repairing or replacing the disaster loss or damage in conformity with current codes and specifications. Any such loans (including any refinancing under clause (2) and any deferred payment under clause (4) of subsection (a)) shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity of ten to twelve years reduced by not to exceed 1 per centum per annum. In no event shall any loan made under this section bear interest at a rate in excess of 6 per centum per annum.

"(c) A loan under this section shall not be denied on the basis of the age of the applicant."

(3) (A) Subsection (a) of section 8 of the Act is amended by inserting "and local governments" immediately after "individuals".

(B) Subsection (c) of section 8 of the Act is amended to read as follows:

"(c) Any State desiring assistance under this section shall designate or create an agency which is specifically qualified to plan and administer a disaster relief program, and shall, through such agency, submit a State plan to the President, which shall (1) set forth a comprehensive and detailed State program for assistance to individuals and to local governments suffering losses as a result of a major disaster and (2) include provisions for the appointment of a State co-ordinating officer."

(C) Section 8 of the Act is further amended by adding a new subparagraph (f) as follows:

"(f) The President is authorized to make grants not to exceed 50 per centum of the cost of improving, maintaining, and updating State disaster assistance plans, except that no such grant shall exceed \$25,000 per annum to any State."

(4) Section 14 is amended to read as follows:

"SEC. 14. (a) The President, whenever he determines it to be in the public interest is authorized—

"(1) through the use of Federal departments, agencies, and instrumentalities, to clear debris and wreckage resulting from a major disaster from publicly and privately owned lands and waters.

"(2) to make grants to any State or local government for the purpose of removing debris or wreckage resulting from a major disaster from publicly or privately owned lands and waters.

"(b) No authority under this section shall be exercised unless the affected State or local government shall first arrange an unconditional authorization for removal of such debris or wreckage from public and private property, and, in the case of removal of debris or wreckage from private property, shall first agree to indemnify the Federal Government against any claim arising from such removal."

(5) (A) Section 15(a) is amended by striking out ", and on or before December 31, 1970".

(B) Section 15(b) is amended to read as follows:

"(b) Sections 2, 4, and 10 of this Act shall not be in effect after December 31, 1970."

(C) The amendments made by this paragraph shall take effect on the date of enactment of this Act.

SEC. 4. Notwithstanding any other provision of law or regulation promulgated thereunder no person otherwise eligible for relocation assistance payments authorized under section 114 of the Housing Act of 1949 shall be denied such eligibility as a result of a major disaster as determined by the President.

SEC. 5. The President is authorized to make grants to any local government which, as the result of a major disaster, has suffered a substantial loss of property tax revenue (both real and personal). Grants made under this section may be made for the tax year in which the disaster occurred and for each of the following two tax years. The grant for any tax year shall not exceed the difference between the annual average of all property tax revenues received by the local government during the three-tax-year period immediately preceding the tax year in which the major disaster occurred and the actual property tax revenue received by the local government for the tax year in which the disaster occurred and for each of the two tax years following the major disaster but only if there has been no reduction in the tax rates and the tax assessment valuation factors of the local government. If there has been a reduction in the tax rates or the tax assessment valuation factors then, for the purpose of determining the amount of a grant under this section for the year or years when such reduction is in effect, the President shall use the tax rates and tax assessment valuation factors of the local government in effect at the time of the disaster without reduction, in order to determine the property tax revenues which would have been received by the local government but for such reduction.

SEC. 6. If the President determines that a major disaster is imminent, he is authorized to use Federal departments, agencies, and instrumentalities, and all other resources of the Federal Government to avert or lessen the effects of such disaster before its actual occurrence.

SEC. 7. The Director of the Office of Emergency Preparedness is authorized and directed to make in cooperation with the heads of other affected Federal and State agencies, a full and complete investigation and study for the purpose of determining what additional or improved plans, procedures, and facilities are necessary to provide immediate effective action to prevent or minimize losses of publicly or privately owned property and personal injuries or deaths which could result from fires (forest and grass), earthquakes, tornadoes, freezes and frosts, tsunami, storm surges and tides, and floods, which are or threaten to become major disasters. Not later than one year after the date of enactment of this Act the Director of the Office of Emergency Preparedness shall report to Congress the findings of this study and investigation together with his recommendations with respect thereto.

SEC. 8. (a) For the purposes of this Act, the Disaster Relief Act of 1969, and section 9 of the Disaster Relief Act of 1966, the terms "major disaster", "United States", "State", "Governor", "local government", and "Federal agency" shall have the same meanings as are given them in section 2 of the Act of September 30, 1950, as amended (42 U.S.C. 1855a).

(b) Section 7 of the Act of September 30, 1950, as amended (42 U.S.C. 1855f) is amended—

(1) by inserting in the first and second sentences thereof after "this Act," each place it appears the following: "and section 9 of

the Disaster Relief Act of 1966, the Disaster Relief Act of 1969, and the Disaster Relief Act of 1970,"

(2) by striking out in the third sentence thereof "specified in section 8." and inserting in lieu thereof "available to carry out this Act, section 9 of the Disaster Relief Act of 1966, the Disaster Relief Act of 1969, and the Disaster Relief Act of 1970.",

(3) by inserting in the last sentence thereof of immediately following "section 3" the following: "of this Act, section 9 of the Disaster Relief Act of 1966, the Disaster Relief Act of 1969, and the Disaster Relief Act of 1970."

SEC. 9. The President may exercise any authority granted him by this Act, the Act of September 30, 1950 (42 U.S.C. 1855-1855g) the Disaster Relief Act of 1966, and the Disaster Relief Act of 1969, directly or through such Federal department or agency as he may designate and his authority shall include directing Federal departments or agencies to provide assistance by utilizing their equipment, supplies, facilities, personnel, and other resources for any other program, with or without compensation therefor, and he may reimburse Federal departments and agencies for expenditures under this Act, such Act of September 30, 1950, and such Disaster Relief Acts as he deems appropriate from funds appropriated for the purposes of this Act or such other Acts. All such reimbursements shall be deposited to the credit of the appropriations currently available for such services or supplies.

SEC. 10. Notwithstanding any other provision of law, temporary housing (including, but not limited to, mobile homes or other readily fabricated dwellings) acquired by purchase under authority of the Act of September 30, 1950 (42 U.S.C. 1855-1855g), the Disaster Relief Act of 1969, or any other provision of law, for dwelling accommodations for individuals and families requiring such accommodations as the result of a major disaster, may be sold directly to individuals and families who are occupants thereof at prices that are fair and equitable.

SEC. 11. In the administration of the Act of September 30, 1950 (42 U.S.C. 1855-1855g) the Disaster Relief Act of 1966, the Disaster Relief Act of 1969, and this Act, the President is authorized to provide assistance on a temporary basis in the form of mortgage or rental payments to or on behalf of individuals and families who, as a result of financial hardship caused by a major disaster, have received written notice of dispossession or eviction from a residence by reason of foreclosure of any mortgage or lien, cancellation of any contract of sale, or termination of any lease, entered into prior to the disaster. Such assistance shall be provided for a period of not to exceed one year or for the duration of the period of financial hardship, whichever is the lesser.

SEC. 12. This Act, and (except as otherwise provided in section 3(5)(C)) the amendments made by this Act, shall apply only to major disasters determined by the President pursuant to the Act entitled "An Act to authorize Federal assistance to States and local governments in major disasters, and for other purposes", approved September 30, 1950, as amended (42 U.S.C. 1855-1855g), natural disasters determined by the Secretary of Agriculture, and disasters as determined by the Administrator of the Small Business Administration, which disasters occur on or after December 1, 1968, except that in the case of any such disaster, natural disaster, or disaster which occurs on or after December 1, 1968, and before the date of enactment of this Act, whoever is eligible for Federal disaster relief assistance as a result of such a disaster shall make an election to receive benefits either under this Act (including the amendments made by this Act) or under the law applicable to such

disasters occurring prior to December 1, 1968.

Mr. BYRD of West Virginia. Mr. President, I wish to state that this matter was cleared with the other side yesterday.

Mr. President, I move, on behalf of Senator RANDOLPH, the chairman of the Committee on Public Works, that the Senate disagree to the amendment of the House of Representatives, ask for a conference with the House thereon, and that the Chair appoint the conferees on the part of the Senate, a list of which have been supplied to me by the chairman.

The motion was agreed to; and the Acting President pro tempore appointed Mr. BAYH, Mr. SPONG, Mr. EAGLETON, Mr. DOLE, and Mr. GURNEY conferees on the part of the Senate.

STATUS OF UNFINISHED BUSINESS—EQUAL RIGHTS FOR MEN AND WOMEN

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the unfinished business now be temporarily laid aside and that it remain in that status until the close of morning business on Monday next.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

OCCUPATIONAL SAFETY AND HEALTH ACT OF 1970

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent, for the purpose of making it the pending business and with the understanding that there will be no action taken thereon today, that the Senate now proceed to the consideration of Calendar No. 1300, S. 2193.

The ACTING PRESIDENT pro tempore. The bill will be stated by title.

The legislative clerk read the bill by title, as follows:

A bill (S. 2193) to authorize the Secretary of Labor to set standards to assure safe and healthful working conditions for working men and women; to assist and encourage States to participate in efforts to assure such working conditions, to provide for research, information, education, and training in the field of occupational safety and health; and for other purposes.

The ACTING PRESIDENT pro tempore. The question is on the consideration of the bill.

PROGRAM—UNANIMOUS-CONSENT REQUEST

Mr. BYRD of West Virginia. Mr. President, I now ask unanimous consent that, on Monday next, not later than 3 p.m., the unfinished business be temporarily laid aside, to remain in that status until the conclusion of morning business on Tuesday next, and that at that time—not later than 3 p.m. on Monday next—the pending measure, Calendar No. 1300, S. 2193, be laid before the Senate.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. ERVIN. Mr. President, reserving the right to object, I did not hear the request.

Mr. BYRD of West Virginia. Mr. President, I have informed the able Senator from North Carolina as to the content of my request.

Mr. HATFIELD. Mr. President, will the Senator yield?

Mr. BYRD of West Virginia. I yield.

Mr. HATFIELD. Mr. President, I am going to object to this unanimous-consent request on behalf of colleagues who are not able to be here at this time I will have to enter an objection to the unanimous-consent agreement requested by the distinguished acting majority leader. I am sure that by the Monday hour or by the time we meet on Monday we can reconcile the differences on this point. We will work toward that end.

The ACTING PRESIDENT pro tempore. Objection is heard.

Mr. BYRD of West Virginia. I thank the distinguished Senator. I fully appreciate his reasons for objecting. Therefore, I shall not renew the request at this time.

It is hoped that on Monday we will be able to resolve the matter and that at some reasonable hour during the afternoon on Monday we may be able to proceed with the pending business, S. 2193.

Mr. BAYH. Mr. President, will the Senator yield?

Mr. BYRD of West Virginia. I yield.

Mr. BAYH. Mr. President, sitting here listening to these unanimous-consent requests, I wonder if the distinguished leader would clarify for the RECORD the fact that the Senator from Indiana is under the impression that when we come in on the next legislative day the pending order of business will be the equal rights amendment, with the specific unanimous-consent request agreed to vote at a time certain on the amendment of the Senator from Alabama.

Mr. BYRD of West Virginia. I thank the Senator from Indiana for the inquiry he has made. I think it is appro-

priate that I make a statement recapitulating the unanimous-consent requests that have already been agreed to so that the Senator from Indiana and all other Senators will understand what the program will be on Monday next, which is as follows:

Hopefully, the Senate will adjourn shortly until 10 a.m. on Monday next. Immediately following the disposition of the reading of the Journal and disposition of any unobjection to items on the Legislative Calendar, there will be a period for the transaction of routine morning business, with statements therein limited to 3 minutes.

The period for the transaction of routine morning business will not extend beyond 12 o'clock noon on Monday next, and at the conclusion of the period for the transaction of routine morning business on Monday next, which, as I say, cannot extend beyond the hour of 12 o'clock noon under the previous order, but may be brought to a close earlier, the unfinished business, House Joint Resolution 264, will be laid before the Senate automatically.

Beginning at the hour of 12 o'clock noon there will be 1 hour of controlled time on the amendment that has been offered by the Senator from Alabama, as modified. The controlled time will be limited to 1 hour equally divided and controlled between the Senator from Alabama (Mr. ALLEN) and the able manager of the resolution, the Senator from Indiana (Mr. BAYH).

At the completion of the 1 hour of controlled time a vote will occur on the amendment, as modified.

That is a summation of everything agreed to up to this time.

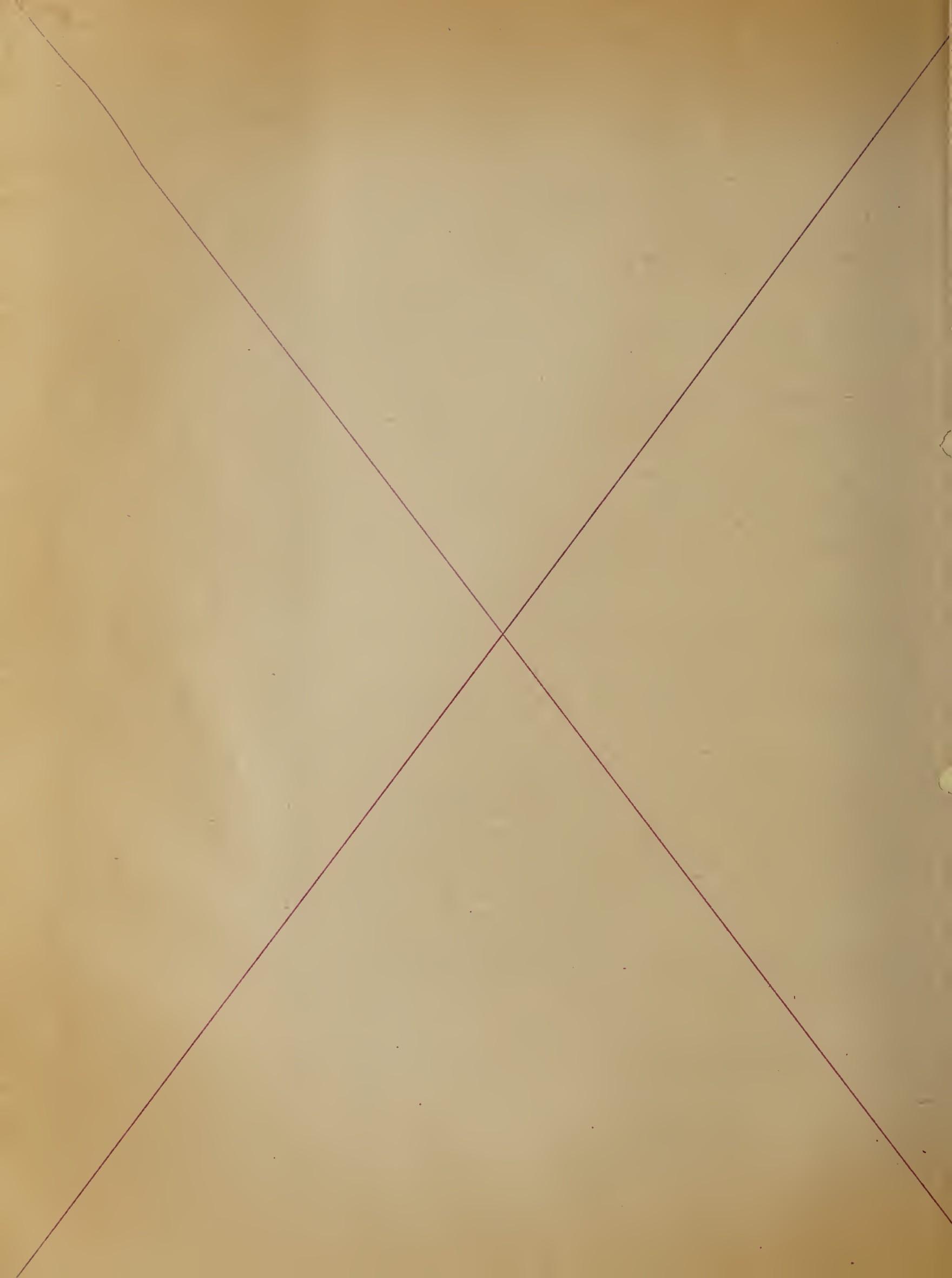
Mr. BAYH. I thank the Senator for going through the requests to put the RECORD absolutely straight so there will be no question.

Mr. BYRD of West Virginia. It is no imposition. I think it is quite helpful to all Senators.

ADJOURNMENT UNTIL 10 A.M. ON MONDAY, OCTOBER 12, 1970

Mr. BYRD of West Virginia. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 10 o'clock on Monday morning next.

The motion was agreed to; and (at 1 o'clock and 29 minutes p.m.) the Senate adjourned until Monday, October 12, 1970, at 10 a.m.



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DIGEST of Congressional Proceedings

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(FOR INFORMATION ONLY;
NOT TO BE QUOTED OR CITED)

For actions of November 24, 1970
91st-2nd; No. 188

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HIGHLIGHTS: Senate agreed to House amendments to bill prohibiting movement of "sored" horses.
House appointed conferees on water carrier mixing bill.
House committee reported bill on duty on olives packed in airtight containers.

SENATE

1. HORSES. Agreed to House amendments to S. 2543, to prohibit the movement in interstate and foreign commerce of "sored" horses. This bill now goes to the President. pp. S18868-9.

. 2. COMMITTEE ACTION.

Committee on Appropriations voted to report (but did not actually report) H.R. 17755, with amendments, FY 71 Department of Transportation appropriation bill; and reported with amendments H.R. 17867, FY 71 appropriations for the foreign aid program (S. Rept. 91-1370). pp. D1189, S18793

Committee on Public Works voted to report (but did not actually report) an original omnibus rivers, harbors, and flood control bill. p. D1190

. 3. ENVIRONMENT. Reconsidered action in passing H.J. Res. 1117, to create a Joint Committee on the Environment, and again passed the bill with amendment. pp. S18792-3

. 4. RURAL AMERICA. Sen. Talmadge discussed the commitment made to revitalize rural America, stating that comprehensive planning and technical assistance is required to develop attractive growth centers from stagnant communities. pp. S18813-4

HOUSE

. 5. AGRICULTURE COMMITTEE ACTION.

Voted to report (but did not actually report) H.R. 19846, proposed Animal Welfare Act; and

Deferred action on H.R. 19757, proposed Egg Products Inspection bill. p. D1192

. 6. COMMITTEE ACTION.

Committee on Ways and Means reported H.R. 18564, amending the Tariff Schedules with respect to rate of duty on olives packed in certain airtight containers (H. Rept. 91-1623). p. H10760

A subcommittee of the Public Works Committee approved for full committee action the committee print of an omnibus rivers, harbors, and flood control bill. p. D1193

. 7. WATER CARRIERS. Disagreed to the Senate amendments to H.R. 8298, the water carrier mixing bill. Conference requested and conferees appointed. p. H10732

. 8. DISASTER RELIEF. Appointed conferees on S. 3619, to revise and expand Federal disaster relief programs. p. H10680

. 9. HIGHWAYS. Adopted H. Res. 1267, providing for the consideration of H.R. 19504, the proposed Federal-Aid Highway Act Authorization of 1970. pp. H10725-8

. 10. APPROPRIATIONS. Passed H.R. 19830, FY 71 HUD-Independent Offices appropriation bill. pp. H10711-24.

fort. They are very wrong in their criticism and they do not credit to our Nation or its traditions. The effort in North Vietnam was one of the bright pages in America's history and it should so be labeled by all who discuss it.

AMENDING DISTRICT OF COLUMBIA PUBLIC ASSISTANCE ACT OF 1962

Mr. McMILLAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 670) to amend section 19(a) of the District of Columbia Public Assistance Act of 1962, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Strike out all after the enacting clause and insert:

"That section 19 of the District of Columbia Public Assistance Act of 1962 (76 Stat. 917; D.C. Code, sec. 3-218) is amended to read as follows:

"SEC. 19. (a) Responsible relatives for any applicant or recipient of public assistance shall be limited to spouse for spouse and parent for a child under the age of twenty-one, and their financial responsibility shall be based upon their ability to pay. Any such applicant or recipient of public assistance or person in need thereof, or the Commissioner of the District of Columbia, may bring an action to require such financially responsible spouse or parent to provide such support, and the court shall have the power to make orders requiring such spouse or parent to pay such eligible applicant or recipient of public assistance such sum or sums of money in such installments as the court in its discretion may direct, and such orders may be enforced in the same manner as orders for alimony.

"(b) The Commissioner is authorized on behalf of the District to sue such spouse or parent for the amount of public assistance granted to such recipient under this Act or under any Act repealed by this Act, or for so much thereof as such spouse or parent is reasonably able to pay.

"(c) All suits, actions, and court proceedings under this section shall be brought in the Domestic Relations Branch of the District of Columbia Court of General Sessions, or in that court division which may subsequently exercise the jurisdiction exercised by the Domestic Relations Branch on the effective date of this Act. To the extent applicable, suits, actions, and proceedings brought pursuant to this section shall be governed by the provisions of the Act approved April 11, 1956 (70 Stat. 111), as such Act may from time to time be amended or superseded."

Amend the title so as to read: "An Act to amend section 19 of the District of Columbia Public Assistance Act of 1962."

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

REVISING LAWS RELATING TO LIABILITY OF HOTELS, ETC., IN THE DISTRICT OF COLUMBIA TO THEIR GUESTS

Mr. McMILLAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 10336) to revise certain laws relating to the liability of hotels, motels, and similar establishments in the District of Columbia to their guests, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 6, line 18, strike out "1263" and insert "1261".

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

SURVIVOR BENEFITS FOR WIDOWS OF POLICEMEN OR FIREMEN OF THE DISTRICT OF COLUMBIA MARRIED AFTER RETIREMENT

Mr. McMILLAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 4183) to provide that the widow of a retired officer or member of the Metropolitan Police Department or the Fire Department of the District of Columbia who married such officer or member after his retirement may qualify for survivor benefits, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, line 13, strike out "July 1, 1969" and insert "January 1, 1971".

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

VALIDATING OF DEFECTS IN RECORDED DEEDS, DISTRICT OF COLUMBIA

Mr. McMILLAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 13565) to validate certain deeds improperly acknowledged or executed (or both) that are recorded in the land records of the Recorder of Deeds of the District of Columbia, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, line 8, strike out "1962," and insert "1969,'".

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

ELIMINATING "STRAW" PARTY DEEDS IN JOINT TENANCY OR TENANCY BY THE ENTIRETIES, DISTRICT OF COLUMBIA

Mr. McMILLAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 13564) to provide that in the District of Columbia one or more grantors in a conveyance creating an estate in joint tenancy or tenancy by the entireties may also be one of the grantees, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, after line 3, insert:

"SEC. 2. (a) Title II of the District of Columbia Code, as amended by section 111 of the Act of July 29, 1970 (84 Stat. 475), is amended as follows:

"(1) Section 11-921(a)(3)(A)(ix) of such title is amended by striking out 'sec. 1-804 (b)' and inserting in lieu thereof 'sec. 1-804b'.

"(2) Section 11-1101(8) of such title is amended by striking out 'subsection' and inserting in lieu thereof 'section'.

"(3) Section 11-1101(16) of such title is amended by striking out 'VII' and inserting in lieu thereof 'IV'.

"(4) Section 11-1501(b)(4) of such title is amended by inserting immediately after 'Fairfax Counties' the following: '(and any cities within the outer boundaries thereof)'.

"(5) Section 11-1561(5) of such title is amended by striking out 'has either (A)' and inserting in lieu thereof either (A) has'.

"(6) Section 11-1561(6) of such title is amended by striking out 'has either (A)' and inserting in lieu thereof 'either(A) has'.

"(7) Section 11-1742(a) of such title is amended by striking out 'may be assigned' and inserting in lieu thereof 'may be assigned'.

"(b) (1) Section 601 of the Act of July 29, 1970 (84 Stat. 667), is amended by striking out 'IX' and inserting in lieu thereof 'X'.

"(2) It is the intent of Congress that the amendment made by paragraph (1) of this subsection shall (A) revive title XI of the Act of December 27, 1967 (81 Stat. 742), as of the date of enactment of this Act, and (B) repeal title X of such Act of December 27, 1967 (81 Stat. 742), as of the date of enactment of this Act.

"(c) Title 23 of the District of Columbia Code, as enacted by section 210(a) of the Act of July 29, 1970 (84 Stat. 604), is amended as follows:

"(1) The heading of section 23-551 of such title is amended by striking out 'supression' and inserting in lieu thereof 'suppression'.

"(2) Section 23-551(b)(5) of such title is amended by striking out 'subsection (1) of this section' and inserting in lieu thereof 'section 23-549(a)'.

"(d) The amendments made by subsections (a) and (c) of this section shall take effect on the first day of the seventh calendar month which begins after the date of the enactment of the Act of July 29, 1970 (84 Stat. 473)."

"SEC. 3. That part of the schedule of rates contained in section 101 of the District of Columbia Police and Firemen's Salary Act of 1958, as amended (D.C. Code, sec. 4-823), relating to salary class 11 is amended to read as follows:

Salary class and title	Service step			Longevity step					
	1	2	3	4	5	6	A	B	C
Class 11 Fire Chief Chief of Police."	29,925	31,350	32,775						

SEC. 4. The amendment made by the third section of this Act shall take effect on the first day of the first pay period beginning on or after July 1, 1969."

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

AMENDING DISTRICT OF COLUMBIA ALCOHOLIC BEVERAGE CONTROL ACT

Mr. McMILLAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 9017) to amend the District of Columbia Alcoholic Beverage Control Act, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment as follows:

Page 2, line 6, after "Board." insert "a restaurant operating on the premises of a theater, symphony hall, opera house, or other facility which has as its principal purpose the presentation of live drama, music, opera, or other performing arts, may sell and serve alcoholic beverages to seated or standing persons at locations within the facility approved by the Board."

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

Mr. GROSS. Mr. Speaker, reserving the right to object, I am sure the taxpayers of this country, who have millions of dollars involuntarily invested in the Kennedy Cultural Center, will dance with joy in the streets tonight to learn that hereafter, before, during, and after each cultural performance at the Kennedy Cultural Center, liquor will be served.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

APPOINTMENT OF CONFEREES ON S. 3619, DISASTER RELIEF ACT OF 1970

Mr. JONES of Alabama. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 3619) to

revise and expand Federal programs for relief from the effects of major disasters, and for other purposes, with House amendments thereto, insist on the House amendments, and agree to the conference requested by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Alabama? The Chair hears none, and appoints the following conferees: Messrs. JONES of Alabama, WRIGHT, JOHNSON of California, DON H. CLAUSEN, and SCHWENGEL.

CALL OF THE HOUSE

Mr. ARENDTS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll and the following Members failed to answer to their names:

[Roll No. 364]

Anderson, Tenn.	Gilbert, Goldwater, Green, Oreg.	Pike, Pollock, Powell, Price, Tex.
Aspinwall, Berry, Blatnik, Bolling, Bow, Brock, Brown, Ohio, Button, Camp, Celler, Clay, Cowger, Cramer, Dennis, Dickinson, Dingell, Dorn, Dowdy, Edwards, La., Foley, Fraser, Gallagher	Griffiths, Hall, Hansen, Wash.	Rurcell, Rees, Rosenthal, Rudebusch, Roybal, Sandman, Satterfield, Scheuer, Skubitz, Smith, Iowa, Stafford, Stuckey, Teague, Tex., Tierman, Tunney, Welcker, Williams, Wold, Wyatt, Pettis

The SPEAKER pro tempore (Mr. ALBERT). On this rollcall 363 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

OCCUPATIONAL SAFETY AND HEALTH ACT

Mr. PERKINS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 16785) to assure safe and healthful working conditions for working men and women; by authorizing enforcement of the standards developed under the act; by assisting and encouraging the States in

their efforts to assure safe and healthful working conditions; by providing for research, information, education, and training in the field of occupational safety and health; and for other purposes.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Kentucky.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H.R. 16785 with Mr. CORMAN in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday, the Clerk had read the first section of the committee amendment, ending on page 41, line 22. An amendment in the nature of a substitute offered by the gentleman from Wisconsin (Mr. STEIGER) was pending.

The gentleman from Wisconsin is recognized for 5 minutes in support of his amendment.

(Mr. STEIGER of Wisconsin asked and was given permission to revise and extend his remarks.)

Mr. STEIGER of Wisconsin. Mr. Chairman, this amendment in the nature of a substitute is offered on behalf of myself and the gentleman from Florida (Mr. SIKES). It is, as I indicated yesterday during general debate, the text of H.R. 19200 which under the rule is made in order.

I spent some time yesterday during general debate discussing in some detail provisions of this substitute.

We have heard much discussion of need, of the alleged strengths and weaknesses of both proposals.

Let me reiterate briefly. The substitute is a bipartisan measure. It was developed as a compromise between legislation originally proposed by the administration, H.R. 13373, and H.R. 16785. It was first offered in the Education and Labor Committee in the same bipartisan spirit it is being offered today.

The substitute has the same coverage as H.R. 16785. It establishes standards and provides for their enforcement. It provides an opportunity for State participation and deals with research, training, information, and education in a manner similar to H.R. 16785.

The differences are significant and important. H.R. 16785 centralizes all responsibility under the act in the Secretary of Labor. He establishes the standards, enforces them, presents alleged violations before his own hearing examiners, issues orders and assesses penalties.

The substitute separates these functions. Standards are set by an independent, professional health and safety board appointed by the President. The Secretary of Labor conducts the inspections and issues citations. Appeals of the Secretary's actions are made to an independent occupational safety and health appeals commission.

H.R. 16785 grants a great deal of power and authority to the individual inspector. It authorizes him to issue citations upon completion of his inspection and requires

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DIGEST of Congressional Proceedings

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(FOR INFORMATION ONLY;
NOT TO BE QUOTED OR CITED)

For actions of December 15, 1970
91st-2nd; No. 201

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HIGHLIGHTS: House appointed conferees on supplemental appropriations bill.
Conferees filed report on disaster relief bill.
House subcommittee approved joint resolution on 1971 burley tobacco marketing quotas for full committee.
Senate committee reported bills re gifts for NAL, increasing certain FHA loan limitations, and 1971 burley tobacco marketing quotas.

HOUSE

1. FLOOR ACTION.

Disagreed to Senate amendments to H.R. 19928, FY 71 supplemental appropriations bill. Conferees appointed. p. H11686

Agreed to the conference report on H.R. 17755, FY 71 Department of Transportation appropriations. pp. H11700-12

Agreed to the conference report on H.R. 18515, FY 71 Labor-HEW appropriations. pp. H11739-49

2. COMMITTEE ACTION.

Conferees filed report\$ on:

S. 3619, revising and expanding Federal programs for disaster relief (H. Rept. 91-1752). pp. H11729-39; and

S. 2162, providing for special packaging for hazardous substances (H. Rept. 91-1755); and

H.R. 19590, FY 71 Department of Defense appropriations (H. Rept. 91-1759) pp. H11766-7

Select Committee on Small Business filed a report, "New Softwood Lumber Standards and Its Impact on Small Business (H. Rept. 91-1751). p. H11766

A Subcommittee of the Agriculture Committee approved for full committee action H.J. Res. 1415, extending the time for the proclamation of the marketing quotas for burley tobacco for 3 marketing years beginning October 1, 1971. p. D1278

SENATE

3. FHA; NAL; TOBACCO. Committee on Agriculture and Forestry reported without amendment the following bills:

H.R. 19402, to authorize the Secretary of Agriculture to receive gifts for the benefit of the National Agricultural Library (S. Rept. No. 91-1440);

H.R. 11547, to amend the CFHA Act of 1961 to increase the loan limitations on certain loans (S. Rept. No. 91-1441); and

S.J. Res. 249 to extend the time for proclamation of marketing quotas for burley tobacco for the three marketing years beginning October 1, 1971 (S. Rept. No. 91-1442). p. S20140

4. ECONOMY. Sen. Scott placed in the Record an editorial comment on the President's state of the economy review. pp. S20149-50

Sen. Mathias called attention to Secretary Romney's speech on economic growth and placed the text in the Record. pp. S20156-8

5. ENVIRONMENT. Insisted on its amendment to H.J. Res. 1117, to create a Joint Committee on the Environment; conference requested and conferees appointed. p. S202

6. SOIL CONSERVATION. Sen. McIntyre praised the work of NACD Treasurer Bauer and placed in the Record his statement "Districts Need To Orient Their Programs Toward People and the Quality of Life". p. S20149

7. INTERNATIONAL TRADE. Sen. Talmadge deplored attacks on the proposed trade legislation and inserted in the Record many articles showing job losses due to foreign imports. pp. S20160-62

Sen. Mondale pointed out the dangers in the trade bill with respect to U.S. exports and placed in the Record seven pages of charts showing the exports of each state, incorporating USDA agricultural export figures. pp. S20163-9





DISASTER RELIEF ACT OF 1970

DECEMBER 15, 1970.—Ordered to be printed

Mr. JONES of Alabama, from the committee of conference,
submitted the following

CONFERENCE REPORT

[To accompany S. 3619]

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 3619) to revise and expand Federal programs for the relief from the effects of major disasters, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment insert the following:

That this Act may be cited as the "Disaster Relief Act of 1970".

TITLE I—FINDINGS AND DECLARATIONS; DEFINITIONS

FINDINGS AND DECLARATIONS

SEC. 101. (a) *The Congress hereby finds and declares that—*

(1) *because loss of life, human suffering, loss of income, and property loss and damage result from major disasters such as hurricanes, tornadoes, storms, floods, high waters, wind-driven waters, tidal waves, earthquakes, droughts, fires, and other catastrophies; and*

(2) *because such disasters disrupt the normal functioning of government and the community, and adversely affect individual persons and families with great severity;*

special measures, designed to assist the efforts of the affected States in expediting the rendering of aid, assistance, and emergency welfare services, and the reconstruction and rehabilitation of devastated areas, are necessary.

(b) *It is the intent of the Congress, by this Act, to provide an orderly and continuing means of assistance by the Federal Government to State and local governments in carrying out their responsibilities to alleviate the suffering and damage which result from such disasters by—*

- (1) revising and broadening the scope of existing major disaster relief programs;
- (2) encouraging the development of comprehensive disaster relief plans, programs, and organizations by the States; and
- (3) achieving greater coordination and responsiveness of Federal major disaster relief programs.

DEFINITIONS

SEC. 102. As used in this Act—

(1) “major disaster” means any hurricane, tornado, storm, flood, high water, wind-driven water, tidal wave, earthquake, drought, fire, or other catastrophe in any part of the United States, which, in the determination of the President, is or threatens to be of sufficient severity and magnitude to warrant disaster assistance by the Federal Government to supplement the efforts and available resources of States, local governments, and relief organizations in alleviating the damage, loss, hardship, or suffering caused thereby, and with respect to which the Governor of any State in which such catastrophe occurs or threatens to occur certifies the need for Federal disaster assistance under this Act and gives assurance of the expenditure of a reasonable amount of the funds of such State, its local governments, or other agencies for alleviating the damage, loss, hardship or suffering resulting from such catastrophe;

(2) “United States” means the fifty States, the District of Columbia, Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Trust Territory of the Pacific Islands;

(3) “State” means any State of the United States, the District of Columbia, Puerto Rico, the Virgin Islands, Guam, American Samoa, or the Trust Territory of the Pacific Islands;

(4) “Governor” means the chief executive of any State;

(5) “local government” means any county, city, village, town, district, or other political subdivision of any State, and includes any rural community or unincorporated town or village for which an application for assistance is made by a State or political subdivision thereof;

(6) “Federal agency” means any department, independent establishment, Government corporation, or other agency of the executive branch of the Federal Government, except the American National Red Cross; and

(7) “Director” means the Director of the Office of Emergency Preparedness.

TITLE II—THE ADMINISTRATION OF DISASTER ASSISTANCE

FEDERAL COORDINATING OFFICER

SEC. 201. (a) Immediately upon his designation of a major disaster area, the President shall appoint a Federal coordinating officer to operate under the Office of Emergency Preparedness in such area.

(b) In order to effectuate the purposes of this Act, the coordinating officer, within the designated area, shall

(1) make an initial appraisal of the types of relief most urgently needed;

(2) establish such field offices as he deems necessary and as are authorized by the Director;

(3) coordinate the administration of relief, including activities of the American National Red Cross, the Salvation Army, the Mennonite Disaster Service, and other relief or disaster assistance organizations which agree to operate under his advice or direction, except that nothing contained in this Act shall limit or in any way affect the responsibilities of the American National Red Cross under the Act of January 5, 1905, as amended (33 Stat. 599); and

(4) take such other action, consistent with authority delegated to him by the Director, and consistent with the provisions of this Act, as he may deem necessary to assist local citizens and public officials in promptly obtaining assistance to which they are entitled.

EMERGENCY SUPPORT TEAMS

SEC. 202. The Director is authorized to form emergency support teams of Federal personnel to be deployed in a major disaster area. Such emergency support teams shall assist the Federal coordinating officer in carrying out his responsibilities pursuant to section 201(b) of this Act. Upon request of the Director, the head of any Federal department or agency is authorized to detail to temporary duty with the emergency support teams on either a reimbursable or nonreimbursable basis, as is determined necessary by the discretion of the Director, such personnel within the administrative jurisdiction of the head of the Federal department or agency as the Director may need or believe to be useful for carrying out the functions of the emergency support teams, each such detail to be without loss of seniority, pay, or other employee status.

COOPERATION OF FEDERAL AGENCIES IN RENDERING EMERGENCY ASSISTANCE

SEC. 203. (a) In any major disaster, Federal agencies are hereby authorized, on direction of the President, to provide assistance by—

(1) utilizing or lending, with or without compensation therefor, to States and local governments, their equipment, supplies, facilities, personnel, and other resources, other than the extension of credit under the authority of any Act;

(2) distributing or rendering, through the American National Red Cross, the Salvation Army, the Mennonite Disaster Service, and other relief and disaster assistance organizations, or otherwise, medicine, food, and other consumable supplies, or emergency assistance;

(3) donating or lending equipment and supplies determined in accordance with applicable laws to be surplus to the needs and responsibilities of the Federal Government to State and local governments for use or distribution by them for the purposes of this Act; and

(4) performing on public or private lands or waters any emergency work essential for the protection and preservation of life and property, including—

(A) clearing and removing debris and wreckage in accordance with section 224;

(B) making repairs to, restoring to service, or replacing public facilities (including street, road, and highway facilities) of State and local governments damaged or destroyed by a major disaster, except that the Federal contributions therefor shall not

exceed the net cost of restoring each such facility on the basis of the design of such facility as it existed immediately prior to the disaster in conformity with current codes, specifications, and standards;

(C) providing emergency shelter for individuals and families who, as a result of a major disaster, require such assistance; and

(D) making contributions to State or local governments for the purpose of carrying out the provisions of paragraph (4).

(b) Emergency work performed under subsection (a) (4) of this section shall not preclude Federal assistance under any other section of this Act.

(c) Federal agencies may be reimbursed for expenditures under this Act from funds appropriated for the purposes of this Act. Any funds received by Federal agencies as reimbursement for services or supplies furnished under the authority of this section shall be deposited to the credit of the appropriation or appropriations currently available for such services or supplies.

(d) The Federal Government shall not be liable for any claim based upon the exercise or performance or the failure to exercise or perform a discretionary function or duty on the part of a Federal agency or an employee of the Federal Government in carrying out the provisions of this section.

(e) In carrying out the purposes of this Act, any Federal agency is authorized to accept and utilize the services or facilities of any State or local government, or of any agency, office, or employee thereof, with the consent of such government. Any Federal agency, in performing any activities under this section, is authorized to appoint and fix the compensation of such temporary personnel as may be necessary, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of such title relating to classification and General Schedule pay rates, to employ experts and consultants in accordance with the provisions of section 3109 of such title, and to incur obligations on behalf of the United States by contract or otherwise for the acquisition, rental, or hire of equipment, services, materials, and supplies for shipping, drayage, travel, and communications, and for the supervision and administration of such activities. Such obligations, including obligations arising out of the temporary employment of additional personnel, may be incurred by an agency in such amount as may be made available to it by the President.

(f) In the interest of providing maximum mobilization of Federal assistance under this Act, the President is authorized to coordinate in such manner as he may determine the activities of Federal agencies in providing disaster assistance. The President may direct any Federal agency, with or without reimbursement, to utilize its available personnel, equipment supplies, facilities, and other resources in accordance with the authority, herein contained. The President may prescribe such rules and regulations as may be necessary and proper to carry out any of the provisions of this Act, and he may exercise any power or authority conferred on him by any section of this Act either directly or through such Federal agency as he may designate.

(g) The President, acting through the Office of Emergency Preparedness, shall conduct periodic reviews (at least annually) of the activities of Federal and State departments or agencies providing disaster assistance, in

order to assure maximum coordination of such programs, and to evaluate progress being made in the development of Federal, State, and local preparedness to cope with major disasters.

(h) The Director of the Office of Emergency Preparedness is authorized and directed to make in cooperation with the heads of other affected Federal and State agencies, a full and complete investigation and study for the purpose of determining what additional or improved plans, procedures, and facilities are necessary to provide immediate effective action to prevent or minimize losses of publicly or privately owned property and personal injuries or deaths which could result from fires (forest and grass), earthquakes, tornadoes, freezes and frosts, tsunami, storm surges and tides, and floods, which are or threaten to become major disasters. Not later than one year after the date of enactment of this subsection, and from time to time, the Director of the Office of Emergency Preparedness shall report to Congress the findings of this study and investigation together with his recommendations with respect thereto.

USE OF LOCAL FIRMS AND INDIVIDUALS

SEC. 204. In the expenditure of Federal funds for debris clearance, distribution of supplies, reconstruction, and other major disaster assistance activities which may be carried out by contract with private organizations, firms, or individuals, preference shall be given, to the extent feasible and practicable, to those organizations, firms, and individuals who reside or do business primarily in the disaster area.

FEDERAL GRANT-IN-AID PROGRAMS

SEC. 205. Any Federal agency charged with the administration of a Federal grant-in-aid program is authorized, if so requested by the applicant State or local authorities, to modify or waive, for the duration of a major disaster proclamation, such administrative procedural conditions for assistance as would otherwise prevent the giving of assistance under such programs if the inability to meet such conditions is a result of the disaster.

STATE DISASTER PLANS

SEC. 206. (a) The President is authorized to provide assistance to the States in developing comprehensive plans and practicable programs for preparation against major disasters, and for relief and assistance for individuals, businesses, and local governments following such disasters. Such plans should include long-range recovery and reconstruction assistance plans for seriously damaged or destroyed public and private facilities.

(b) The President is authorized to make grants of not more than \$250,000 to any State, upon application therefor, for not to exceed 50 per centum of the cost of developing such plans and programs.

(c) Any State desiring assistance under this section shall designate or create an agency which is specially qualified to plan and administer such a disaster relief program, and shall, through such agency, submit a State plan to the President, which shall—

(1) set forth a comprehensive and detailed State program for preparation against, and relief following, a major disaster, including provisions for emergency and long-term assistance to individuals, businesses, and local governments; and

(2) include provision for the appointment of a State coordinating officer to act in cooperation with the Federal coordinating officer appointed under section 201 of this Act.

(d) From time to time the Director shall make a report to the President, for submission to the Congress, containing his recommendations for programs for the Federal role in the implementation and funding of comprehensive disaster relief plans, and such other recommendations relating to the Federal role in disaster relief activities as he deems warranted.

(e) The President is authorized to make grants not to exceed 50 per centum of the cost of improving, maintaining, and updating State disaster assistance plans, except that no such grant shall exceed \$25,000 per annum to any State.

USE AND COORDINATION OF RELIEF ORGANIZATIONS

SEC. 207. (a) In providing relief and assistance following a major disaster, the Director may utilize, with their consent, the personnel and facilities of the American National Red Cross, the Salvation Army, the Mennonite Disaster Service, and other relief or disaster assistance organizations, in the distribution of medicine, food, supplies, or other items, and in the restoration, rehabilitation, or reconstruction of community services and essential facilities, whenever the Director finds that such utilization is necessary.

(b) The Director is authorized to enter into agreements with the American National Red Cross, the Salvation Army, the Mennonite Disaster Service, and other relief or disaster assistance organizations under which the disaster relief activities of such organizations may be coordinated by the Federal coordinating officer whenever such organizations are engaged in providing relief during and after a major disaster. Any such agreement shall include provisions conditioning use of the facilities of the Office of Emergency Preparedness and the services of the coordinating officer upon compliance with regulations promulgated by the Director under sections 208 and 209 of this Act, and such other regulations as the Director may require.

DUPLICATION OF BENEFITS

SEC. 208. (a) The Director, in consultation with the head of each Federal agency administering any program providing financial assistance to persons, business concerns, or other entities suffering losses as the result of a major disaster, shall assure that no such person, business concern, or other entity will receive such assistance with respect to any part of such loss as to which he has received financial assistance under any other program.

(b) The Director shall assure that no person, business concern, or other entity receives any Federal assistance for any part of a loss suffered as the result of a major disaster if such person, concern, or entity received compensation from insurance or any other source for that part of such a loss. Partial compensation for a loss or a part of a loss resulting from a major disaster shall not preclude additional Federal assistance for any part of such a loss not compensated otherwise.

(c) Whenever the Director determines (1) that a person, business concern, or other entity has received assistance under this Act for a loss and that such person, business concern or other entity received assistance for the same loss from another source, and (2) that the amount received from all sources exceeded the amount of the loss, he shall direct such person, business concern, or other entity to pay to the Treasury an amount, not to exceed the amount of Federal assistance received, sufficient to reimburse the Federal Government for that part of the assistance which he deems excessive.

NONDISCRIMINATION IN DISASTER ASSISTANCE

SEC. 209. (a) *The Director shall issue, and may alter and amend, such regulations as may be necessary for the guidance of personnel carrying out emergency relief functions at the site of a major disaster. Such regulations shall include provisions for insuring that the distribution of supplies, the processing of applications, and other relief and assistance activities shall be accomplished in an equitable and impartial manner, without discrimination on the grounds of race, color, religion, nationality, sex, age, or economic status prior to a major disaster.*

(b) *As a condition of participation in the distribution of assistance or supplies under section 207, relief organizations shall be required to comply with regulations relating to nondiscrimination promulgated by the Director, and such other regulations applicable to activities within a major disaster area as he deems necessary for the effective coordination of relief efforts.*

DISASTER WARNINGS

SEC. 210. *The President is authorized to utilize or to make available to Federal, State, and local agencies the facilities of the civil defense communications system established and maintained pursuant to section 201(c) of the Federal Civil Defense Act of 1950, as amended (50 U.S.C. app. 2281(c)), for the purpose of providing needed warning to governmental authorities and the civilian population in areas endangered by imminent major disasters.*

PREDISASTER ASSISTANCE

SEC. 221. *If the President determines that a major disaster is imminent, he is authorized to use Federal departments, agencies, and instrumentalities, and all other resources of the Federal Government to avert or lessen the effects of such disaster before its actual occurrence.*

EMERGENCY COMMUNICATIONS

SEC. 222. *The Director is authorized during, or in anticipation of, an emergency to establish temporary communications in any major disaster area in order to carry out the functions of his office, and to make such communications available to State and local government officials and other persons as he deems appropriate.*

EMERGENCY PUBLIC TRANSPORTATION

SEC. 223. *The Director is authorized to provide temporary public transportation service to meet emergency needs in a major disaster area. Such service will provide transportation to governmental offices, supply centers, stores, post offices, schools, major employment centers, and such other places as may be necessary in order to enable the community to resume its normal pattern of life as soon as possible.*

DEBRIS REMOVAL

SEC. 224. (a) *The President, whenever he determines it to be in the public interest, is authorized—*

(1) *through the use of Federal departments, agencies, and instrumentalities, to clear debris and wreckage resulting from a major disaster from publicly and privately owned lands and waters.*

(2) *to make grants to any State or local government for the purpose of removing debris or wreckage resulting from a major disaster from publicly or privately owned lands and waters.*

(b) No authority under this section shall be exercised unless the affected State or local government shall first arrange an unconditional authorization for removal of such debris or wreckage from public and private property, and, in the case of removal of debris or wreckage from private property, shall first agree to indemnify the Federal Government against any claim arising from such removal.

FIRE SUPPRESSION GRANTS

SEC. 225. The President is authorized to provide assistance, including grants, to any State for the suppression of any fire on publicly or privately owned forest or grassland which threatens such destruction as would constitute a major disaster.

TEMPORARY HOUSING ASSISTANCE

SEC. 226. (a) The Director is authorized to provide temporary housing or other emergency shelter, including, but not limited to, mobile homes or other readily fabricated dwellings for those who, as a result of such major disaster, require temporary housing or other emergency shelter, except that for the first twelve months of occupancy no rentals shall be established for any such accommodations, thereafter rentals shall be established, based upon fair market value of the accommodations being furnished, adjusted to take into consideration the financial ability of the occupant. Notwithstanding any other provision of law, any such emergency housing acquired by purchase may be sold directly to individuals and families who are occupants thereof at prices that are fair and equitable. Any mobile home or readily fabricated dwelling shall be placed on a site complete with utilities provided by State or local government, or by the owner or occupant of the site who was displaced by the major disaster, without charge to the United States. However, the Director may elect to provide other more economical and accessible sites at Federal expense when he determines such action to be in the public interest.

(b) The President is authorized to provide assistance on a temporary basis in the form of mortgage or rental payments to or on behalf of individuals and families who, as a result of financial hardship caused by a major disaster, have received written notice of dispossession or eviction from a residence by reason of foreclosure of any mortgage or lien, cancellation of any contract of sale, or termination of any lease, entered into prior to the disaster. Such assistance shall be provided for a period of not to exceed one year or for the duration of the period of financial hardship, whichever is the lesser. The President is authorized for the purposes of this subsection and in furtherance of the purposes of section 240 of this Act, to provide reemployment assistance services under other laws to individuals who are unemployed as a result of a major disaster.

SMALL BUSINESS DISASTER LOANS

SEC. 231. In the administration of the disaster loan program under section 7(b) (1), (2), and (4) of the Small Business Act, as amended (15 U.S.C. 636(b)), in the case of property loss or damage or injury resulting from a major disaster as determined by the President or a disaster as determined by the Administrator, the Small Business Administration—

(1) to the extent such loss or damage or injury is not compensated for by insurance or otherwise, (A) shall, on that part of any loan in

excess of \$500, cancel the principal of the loan, except that the total amount so canceled shall not exceed \$2,500, except that this clause (A) shall apply only to loans made to cover losses and damage and injury resulting from major disasters as determined by the President, and (B) may defer interest payments or principal payments, or both, in whole or in part, on any loan made under this section during the first three years of the term of the loan except that any such deferred payments shall bear interest at the rate determined under section 234 of this Act.

(2) to the extent such injury, loss, or damage is not compensated for by insurance or otherwise, may grant any loan for repair, rehabilitation, or replacement of property damaged, or destroyed, without regard to whether the required financial assistance is otherwise available from private sources.

(3) may, in the case of the total destruction or substantial property damage of a home or business concern, refinance any mortgage or other liens outstanding against the destroyed or damaged property if such property to is to be repaired, rehabilitated, or replaced, except that the amount refinanced shall not exceed the amount of the physical loss sustained. Any such refinancing shall be subject to the provisions of clauses (1) and (2) of this section.

FARMERS HOME ADMINISTRATION EMERGENCY LOANS

SEC. 232. In the administration of the emergency loan program under subtitle C of the Consolidated Farmers Home Administration Act of 1961, as amended (7 U.S.C. 1961-1967), and the rural housing loan program under section 502 of title V of the Housing Act of 1949, as amended (42 U.S.C. 1472), in the case of loss or damage, resulting from a major disaster as determined by the President, or a natural disaster as determined by the Secretary of Agriculture—

(1) to the extent such loss or damage is not compensated for by insurance or otherwise, (A) shall, on that part of any loan in excess of \$500, cancel the principal of the loan, except that the total amount so canceled shall not exceed \$2,500, except that this clause (A) shall apply only to loans made to cover losses and damage resulting from major disasters as determined by the President, and (B) may defer interest payments or principal payments, or both, in whole or in part, on any loan made under this section during the first three years of the term of the loan, except that any such deferred payments shall bear interest at the rate determined under section 234 of this Act.

(2) to the extent such injury, loss, or damage is not compensated for by insurance or otherwise, may grant any loan for repair, rehabilitation, or replacement of property damaged or destroyed, without regard to whether the required financial assistance is otherwise available from private sources.

(3) may, in the case of the total destruction or substantial property damage of homes or farm service buildings and related structures and equipment, refinance any mortgage or other liens outstanding against the destroyed or damaged property if such property is to be repaired, rehabilitated, or replaced, except that the amount refinanced shall not exceed the amount of the physical loss sustained. Any such refinancing shall be subject to the provisions of clauses (1) and (2) of this section.

LOANS HELD BY THE VETERANS' ADMINISTRATION

SEC. 233. (1) Section 1820(a)(2) of title 38, United States Code, is amended to read as follows:

“(2) subject to specific limitations in this chapter, consent to the modification, with respect to rate of interest, time of payment of principal or interest or any portion thereof, security or other provisions of any note, contract, mortgage or other instrument securing a loan which has been guaranteed, insured, made or acquired under this chapter;”

(2) Section 1820(f) of title 38, United States Code, is amended to read as follows:

“(f) Whenever loss, destruction, or damage to any residential property securing loans guaranteed, insured, made, or acquired by the Administrator under this chapter occurs as the result of a major disaster as determined by the President under the Disaster Assistance Act of 1970, the Administrator shall (1) provide counseling and such other service to the owner of such property as may be feasible and shall inform such owner concerning the disaster assistance available from other Federal agencies and from State or local agencies, and (2) pursuant to subsection (a)(2) of this section, extend on an individual case basis such forbearance or indulgence to such owner as the Administrator determines to be warranted by the facts of the case and the circumstances of such owner.”

DISASTER LOAN INTEREST RATES

SEC. 234. Any loan made under sections 231, and 232 of this Act shall not exceed the current cost of repairing or replacing the disaster injury, loss, or damage in conformity with current codes and specifications. Any loan made under sections 231, 232, 236(b) and 237 of this Act shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity of ten to twelve years reduced by not to exceed 2 per centum per annum. In no event shall any loan made under this section bear interest at a rate in excess of 6 per centum per annum.

AGE OF APPLICANT FOR LOANS

SEC. 235. In the administration of any Federal disaster loan program under the authority of section 231, 232, or 233 of this Act, the age of any adult loan applicant shall not be considered in determining whether such loan should be made or the amount of such loan.

FEDERAL LOAN ADJUSTMENTS

SEC. 236. (a) In addition to the loan extension authority provided in section 12 of the Rural Electrification Act, the Secretary of Agriculture is authorized to adjust and readjust the schedules for payment of principal and interest on loans to borrowers under programs administered by the Rural Electrification Administration, and to extend the maturity date of any such loan to a date not beyond forty years from the date of such loan where he determines such action is necessary because of the impairment of the economic feasibility of the system, or the loss, destruction, or damage of the property of such borrowers as a result of a major disaster.

(b) The Secretary of Housing and Urban Development is authorized to refinance any note or other obligation which is held by him in connection with any loan made by the Department of Housing and Urban Development or its predecessor in interest, or which is included within the revolving fund for liquidating programs established by the Independent Offices Appropriation Act of 1955, where he finds such refinancing necessary because of the loss, destruction, or damage (as a result of a major disaster) to property or facilities securing such obligations. The Secretary may authorize a suspension in the payment of principal and interest charges on, and an additional extension in the maturity of, any such loan for a period not to exceed five years if he determines that such action is necessary to avoid severe financial hardship.

AID TO MAJOR SOURCES OF EMPLOYMENT

SEC. 237. (a) The Small Business Administration in the case of a nonagricultural enterprise, and the Farmers Home Administration in the case of an agricultural enterprise, are authorized to provide any industrial, commercial, agricultural, or other enterprise, which has constituted a major source of employment in an area suffering a major disaster and which is no longer in substantial operation as a result of such disaster, a loan in such amount as may be necessary to enable such enterprise to resume operations in order to assist in restoring the economic viability of the disaster area. Loans authorized by this section shall be made without regard to limitations on the size of loans which may otherwise be imposed by any other provision of law or regulation promulgated pursuant thereto.

(b) Assistance under this section shall be in addition to any other Federal disaster assistance, except that such other assistance may be adjusted or modified to the extent deemed appropriate by the Director under the authority of section 208 of this Act. Any loan made under this section shall be subject to the interest requirements of section 234 of this Act, but the President, if he deems it necessary, may defer payments of principal and interest for a period not to exceed three years after the date of the loan. Any such deferred payments shall bear interest at the rate determined under section 234 of this Act.

FOOD COUPONS AND DISTRIBUTION

SEC. 238. (a) Whenever the President determines that, as a result of a major disaster, low-income households are unable to purchase adequate amounts of nutritious food, he is authorized, under such terms and conditions as he may prescribe, to distribute through the Secretary of Agriculture coupon allotments to such households pursuant to the provisions of the Food Stamp Act of 1964 and to make surplus commodities available pursuant to the provisions of section 203 of this Act.

(b) The President, through the Secretary of Agriculture, is authorized to continue to make such coupon allotments and surplus commodities available to such households for so long as he determines necessary, taking into consideration such factors as he deems appropriate, including the consequences of the major disaster on the earning power of the households to which assistance is made available under this section.

(c) Nothing in this section shall be construed as amending or otherwise changing the provisions of the Food Stamp Act of 1964 except as they relate to the availability of food stamps in a major disaster area.

LEGAL SERVICES

SEC. 239. Whenever the Director determines that low-income individuals are unable to secure legal services adequate to meet their needs as a consequence of a major disaster, consistent with the goals of the programs authorized by this Act, the Director shall assure that such programs are conducted with the advice and assistance of appropriate Federal agencies and State and local bar associations.

UNEMPLOYMENT ASSISTANCE

SEC. 240. The President is authorized to provide to any individual unemployed as a result of a major disaster, such assistance as he deems appropriate while such individual is unemployed. Such assistance as the President shall provide shall not exceed to maximum amount and the maximum duration of payment under the unemployment compensation program of the State in which the disaster occurred, and the amount of assistance under this section to any such individual shall be reduced by any amount of unemployment compensation or of private income protection insurance compensation available to such individual for such period of unemployment.

COMMUNITY DISASTER GRANTS

SEC. 241. The President is authorized to make grants to any local government which, as the result of a major disaster, has suffered a substantial loss of property tax revenue (both real and personal). Grants made under this section may be made for the tax year in which the disaster occurred and for each of the following two tax years. The grant for any tax year shall not exceed the difference between the annual average of all property tax revenues received by the local government during the three-tax-year period immediately preceding the tax year in which the major disaster occurred and the actual property tax revenue received by the local government for the tax year in which the disaster occurred and for each of the two tax years following the major disaster but only if there has been no reduction in the tax rates and the tax assessment valuation factors of the local government. If there has been a reduction in the tax rates or the tax assessment valuation factors then, for the purpose of determining the amount of a grant under this section for the year or years when such reduction is in effect, the President shall use the tax rates and tax assessment valuation factors of the local government in effect at the time of the disaster without reduction, in order to determine the property tax revenues which would have been received by the local government but for such reduction.

TIMBER SALE CONTRACTS

SEC. 242. (a) Where an existing timber sale contract between the Secretary of Agriculture or the Secretary of the Interior and a timber purchaser does not provide relief from major physical change not due to negligence of the purchaser prior to approval of construction of any section of specified road or of any other specified development facility and, as a result of a major disaster, a major physical change results in additional construction work in connection with such road or facility by such purchaser with an estimated cost, as determined by the appropriate Secretary, (1) of more than \$1,000 for sales under one million board feet, (2) of more than \$1 per thousand board feet for sales of one of three million board feet, or (3) of more than \$3,000 for sales over three million board feet, such increased construction cost shall be borne by the United States.

(b) If the Secretary determines that damages are so great that restoration, reconstruction, or construction is not practical under the cost-sharing arrangement authorized by subsection (a) of this section, the Secretary may allow cancellation of the contract notwithstanding contrary provisions therein.

(c) The Secretary of Agriculture is authorized to reduce to seven days the minimum period of advance public notice required by the first section of the Act of June 4, 1897 (16 U.S.C. 476), in connection with the sale of timber from national forests, whenever the Secretary determines that (1) the sale of such timber will assist in the construction of any area of a State damaged by a major disaster, (2) the sale of such timber will assist in sustaining the economy of such area, or (3) the sale of such timber is necessary to salvage the value of timber damaged in such major disaster or to protect undamaged timber.

(d) The President, when he determines it to be in the public interest, and acting through the Director of Emergency Preparedness, is authorized to make grants to any State or local government for the purpose of removing from privately owned lands timber damaged as a result of a major disaster, and such State or local government is authorized upon application, to make payments out of such grants to any person for reimbursement of expenses actually incurred by such person in the removal of damaged timber, not to exceed the amount that such expenses exceed the salvage value of such timber.

MINIMUM STANDARDS FOR RESIDENTIAL STRUCTURE RESTORATION

SEC. 243. No loan or grant made by any relief organization operating under the supervision of the Director, for the repair, restoration, reconstruction, or replacement of any residential structure located in a major disaster area shall be made unless such structure will be repaired, restored, reconstructed, or replaced in accordance with applicable standards of safety, decency, and sanitation and in conformity with applicable building codes and specifications.

FEDERAL FACILITIES

SEC. 251. The President may authorize any Federal agency to repair, reconstruct, restore, or replace any facility owned by the United States and under the jurisdiction of such agency which is damaged or destroyed by any major disaster if he determines that such repair, reconstruction, restoration, or replacement is of such importance and urgency that it cannot reasonably be deferred pending the enactment of specific authorizing legislation or the making of an appropriation for such purposes. In order to carry out the provisions of this section, such repair, reconstruction, restoration, or replacement may be begun notwithstanding a lack or an insufficiency of funds appropriated for such purpose, where such lack or insufficiency can be remedied by the transfer, in accordance with law, of funds appropriated to that agency for another purpose.

STATE AND LOCAL GOVERNMENT FACILITIES

SEC. 252. (a) The President is authorized to make contributions to State or local governments to repair, restore, reconstruct, or replace public facilities belonging to such State or local governments which were damaged or destroyed by a major disaster, except that the Federal contribution therefor shall not exceed 100 per centum of the net cost of repairing, restor-

ing, reconstructing, or replacing any such facility on the basis of the design of such facility as it existed immediately prior to such disaster and in conformity with applicable codes, specifications, and standards.

(b) In the case of any such public facilities which were in the process of construction when damaged or destroyed by a major disaster, the Federal contribution shall not exceed 50 per centum of the net costs of restoring such facilities substantially to their prior to such disaster condition and of completing construction not performed prior to the major disaster to the extent the increase of such cost over the original construction cost is attributable to changed conditions resulting from a major disaster.

(c) For the purposes of this section "public facility" includes any flood control, navigation, irrigation, reclamation, public power, sewage treatment and collection, water supply and distribution, watershed development, or airport facility, any non-Federal-aid street, road, or highway, and any other public building, structure, or system, other than one used exclusively for recreation purposes.

PRIORITY TO CERTAIN APPLICATIONS FOR PUBLIC FACILITY AND PUBLIC HOUSING ASSISTANCE

SEC. 253. In the processing of applications for assistance, priority and immediate consideration may be given, during such period, not to exceed six months, as the President shall prescribe by proclamation, to applications from public bodies situated in major disaster areas, under the following Acts:

- (1) title II of the Housing Amendments of 1955, or any other Act providing assistance for repair, construction, or extension of public facilities;
- (2) the United States Housing Act of 1937 for the provision of low-rent housing;
- (3) section 702 of the Housing Act of 1954 for assistance in public works planning;
- (4) section 702 of the Housing and Urban Development Act of 1965 providing for grants for public facilities; or
- (5) section 306 of the Consolidated Farmers Home Administration Act.

RELOCATION ASSISTANCE

SEC. 254. Notwithstanding any other provision of law, no person otherwise eligible for any kind of relocation assistance payment authorized under section 114 of the Housing Act of 1949 shall be denied such eligibility as a result of his being unable, because of a major disaster as determined by the President, to reoccupy property from which he was displaced by such disaster.

TITLE III—MISCELLANEOUS

TECHNICAL AMENDMENTS

SEC. 301. (a) Section 701(a)(3)(B)(ii) of the Housing Act of 1954 (40 U.S.C. 461(a)(3)(B)(ii)) is amended to read as follows: "(ii) have suffered substantial damage as a result of a major disaster as determined by the President pursuant to the Disaster Relief Act of 1970".

(b) Section 8(b)(2) of the National Housing Act (12 U.S.C. 1706c(b)(2)) is amended by striking out of the last proviso "section 2(a) of the Act

entitled 'An Act to authorize Federal assistance to States and local governments in major disasters, and for other purposes' (Public Law 875, Eighty-first Congress, approved September 30, 1950)" and inserting in lieu thereof "section 102(1) of the Disaster Relief Act of 1970".

(c) Section 203(h) of the National Housing Act (12 U.S.C. 1709(h)) is amended by striking out "section 2(a) of the Act entitled 'An Act to authorize Federal assistance to States and local governments in major disasters and for other purposes' (Public Law 875, Eighty-first Congress, approved September 30, 1950), as amended" and inserting in lieu thereof "section 102(1) of the Disaster Relief Act of 1970".

(d) Section 221(f) of the National Housing Act (12 U.S.C. 1715l(f)) is amended by striking out of the last paragraph "the Act entitled 'An Act to authorize Federal assistance to States and local governments in major disasters, and for other purposes', approved September 30, 1950, as amended (42 U.S.C. 1855-1855g)" and inserting in lieu thereof "the Disaster Relief Act of 1970".

(e) Section 7(a)(1)(A) of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress, as amended, 20 U.S.C. 241-1(a)(1)(A)), is amended by striking out "pursuant to section 2(a) of the Act of September 30, 1950 (42 U.S.C. 1855a(a))" and inserting in lieu thereof pursuant to section 102(1) of the Disaster Relief Act of 1970".

(f) Section 16(a) of the Act of September 23, 1950 (79 Stat. 1158; 20 U.S.C. 646(a)) is amended by striking out "section 2(a) of the Act of September 30, 1950 (42 U.S.C. 1855a(a))" and inserting in lieu thereof "section 102(1) of the Disaster Relief Act of 1970".

(g) Section 408(a) of the Higher Education Facilities Act of 1963 (20 U.S.C. 758(a)) is amended by striking out "section 2(a) of the Act of September 30, 1950 (42 U.S.C. 1855a(a))" and inserting in lieu thereof "section 102(1) of the Disaster Relief Act of 1970".

(h) Section 165(h)(2) of the Internal Revenue Code of 1954, relating to disaster losses (26 U.S.C. 165(h)(2)) is amended to read as follows:

"(2) occurring in an area subsequently determined by the President of the United States to warrant assistance by the Federal Government under the Disaster Relief Act of 1970,".

(i) Section 5064(a) of the Internal Revenue Code of 1954 (26 U.S.C. 5064(a)), relating to losses caused by disaster, is amended by striking out "the Act of September 30, 1950 (42 U.S.C. 1855)" and inserting in lieu thereof "the Disaster Relief Act of 1970".

(j) Section 5708(a) of the Internal Revenue Code of 1954 (26 U.S.C. 5708(a)), relating to losses caused by disaster, is amended by striking out "the Act of September 30, 1950 (42 U.S.C. 1855)" and inserting in lieu thereof "the Disaster Relief Act of 1970".

(k) Section 3 of the Act of June 30, 1954 (68 Stat. 330; 48 U.S.C. 1681), is amended by striking out of the last sentence "section 2 of the Act of September 30, 1950 (64 Stat. 1109), as amended (42 U.S.C. 1855a)" and inserting in lieu thereof "section 102(1) of the Disaster Relief Act of 1970".

(l) Whenever reference is made in any provision of law (other than this Act), regulation, rule, record, or document of the United States to the Act of September 30, 1950 (64 Stat. 1109), or any provision of such Act, such reference shall be deemed to be a reference to the Disaster Relief Act of 1970 or to the appropriate provision of the Disaster Relief Act of 1970 unless no such provision is included therein.

REPEAL OF EXISTING LAW

SEC. 302. The following Acts are hereby repealed:

- (1) *the Act of September 30, 1950 (64 Stat. 1109);*
- (2) *the Disaster Relief Act of 1966, except section 7 (80 Stat. 1316); and*
- (3) *the Disaster Relief Act of 1969 (83 Stat. 125).*

PRIOR ALLOCATION OF FUNDS

SEC. 303. Funds allocated before the date of enactment of this Act under a Federal-State Disaster Agreement for the relief of a major disaster as defined in the Act of September 30, 1950 (Public Law 875, Eighty-first Congress), and not expended on the date of enactment of this Act may be used by the State to make payments to any person for reimbursement of expenses actually incurred by such person in the removal of debris from community areas, but not to exceed the amount that such expenses exceed the salvage value of such debris, or in otherwise carrying out the purposes of such Act of September 30, 1950, or this Act.

EFFECTIVE DATE

SEC. 304. This Act shall take effect immediately upon its enactment, except that sections 226(b), 237, 241, 252(a), and 254 shall take effect as of August 1, 1969, and sections 231, 232, and 233 shall take effect as of April 1, 1970.

And the House agree to the same.

ROBERT E. JONES,
JIM WRIGHT,
HAROLD T. JOHNSON,
DON H. CLAUSEN,
FRED SCHWENGEL,

Managers on the Part of the House.

BIRCH BAYH,
WILLIAM B. SONG, Jr.,
THOMAS F. EAGLETON,
ROBERT DOLE,
EDWARD J. GURNEY,

Managers on the Part of the Senate.

STATEMENT OF THE MANAGERS ON THE PART OF THE HOUSE

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 3619) to revise and expand Federal programs for relief from the effects of major disasters, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The House amendment struck out all of the Senate bill after the enacting clause and inserted a substitute. The Senate recedes from its disagreement to the amendment of the House, with an amendment which is a substitute for both the Senate bill and the House amendment. The differences between the House amendment and the substitute agreed to in conference are noted below except for minor technical and clarifying changes made necessary by reason of the conference agreement.

The bill as passed by the Senate establishes an entirely new basic Federal disaster relief law and repeals all of the major substantive provisions dealing with this subject which are presently on the statute books. The House amendment, by a series of cut-and-bite amendments, retained all of the existing provisions of law but expanded them and tied them together through uniformity of definition and otherwise. The proposed conference substitute adopts the approach of the Senate bill and provides for a new basic law and the repeal of existing statutes on the subject.

TITLE I

SHORT TITLE

Senate bill

This section provided that the Act may be cited as the "Disaster Assistance Act of 1970".

House amendment

This section provided that the Act may be cited as the "Disaster Relief Act of 1970".

Conference substitute

The same as the House provision.

FINDINGS AND DECLARATION

Senate bill

The Congress would find and declare that because major disasters cause loss of life, human suffering, loss of income, property loss and damage and because such disasters disrupt the normal functioning of government and the community special measures are required to expedite assistance and emergency welfare services and reconstruct and rehabilitate devastated areas.

The Congress would under this Act provide orderly and continuing means of alleviating suffering and damage by (1) revising and broadening existing major disaster relief programs (2) encouraging development of comprehensive State disaster plans and (3) achieving greater coordination and responsiveness of Federal major disaster relief programs.

House amendment

No comparable provision.

Conference substitute

The conference substitute is essentially the same as the Senate provisions with minor clarifying amendments to more clearly express the intention of Congress.

DEFINITIONS

Senate bill

Definitions in this section are the same as P.L. 875, 81st Congress, except for the addition of the words "tornado, highwater, wind-driven water, and tidal wave" to the definition of "major disaster."

House amendment

Amends the definition of the term "major disaster" in Public Law 81-875 to require that Governors certify a need for "Federal disaster assistance" rather than just assistance under Public Law 81-875. The amendment also deletes a reference to the Board of Commissioners of the District of Columbia since that Board no longer exists.

Amends the definition of the term State to include the District of Columbia.

Deletes the reference to the District of Columbia in the definition of local government.

Conference substitute

Except for minor clarifying amendments, this is the same as the provisions of the Senate bill.

TITLE II

FEDERAL COORDINATING OFFICER

Senate bill

Section 201 provides for the presidential appointment of a Federal Coordinating Officer for the designated disaster area. The duties of this officer would include but not necessarily be limited to these functions: 1) initial appraisal of the relief most needed, 2) establishment of field offices, 3) coordination of relief distribution activities, and 4) supervision of emergency support teams and other actions to assist local citizens and officials to receive aid.

House amendment

No comparable provision.

Conference substitute

This is essentially the same as the Senate provisions, expanded however to include the Salvation Army, and the Mennonite Disaster Service, as well as the American National Red Cross as among those

agencies whose activities would be coordinated with a disclaimer that nothing in the Act is to limit or affect the responsibilities of the Red Cross under the Act of January 5, 1905, as amended.

EMERGENCY SUPPORT TEAMS

Senate bill

Section 202 would authorize the Director to form emergency support teams and personnel to assist the Federal Coordinating Officer in carrying out his responsibilities as defined under section 201.

House amendment

No comparable provision.

Conference substitute

This is essentially the provisions of the Senate bill with amendments to require the support teams to be of Federal personnel and to specifically authorize the head of any Federal department or agency to detail to temporary duty with these emergency support teams, either on a reimbursable or nonreimbursable basis, personnel within the jurisdiction of his department or agency.

COOPERATION OF FEDERAL AGENCIES

Senate bill

This section would authorize Federal agencies to assist disaster areas in several ways, including: the utilization or lending of personnel, facilities, supplies, equipment, and other resources except extension of credit, with or without compensation, to State and local governments; the distribution of medicine, food and other consumable supplies and the rendering of emergency services through relief and disaster assistance organizations; the donation or lending of Federal surplus equipment and supplies; and the performing on public or private lands or waters of any emergency work essential for the protection and preservation of life and property.

Such emergency work would include clearing and removing debris and wreckage. It would also include making repairs, or restoring to service, damaged or destroyed public facilities belonging to State and local governments, except that the Federal contribution would not exceed the net cost of restoring such facilities to their predisaster capacity.

Assistance by Federal agencies would also provide for emergency shelter for individuals and families who require such assistance because of a major disaster.

Federal agencies could also make contributions to State or local governments for the purpose of carrying out the types of assistance authorized under section 203(a)(4).

Emergency work performed under section 203(a)(4) would not bar additional Federal assistance under any other section of the Act.

Federal agencies could be reimbursed for services and supplies under section 203(a) from funds appropriated under this Act. Any funds paid to Federal agencies for services or supplies furnished under the provisions of this section would be deposited to the credit of the appropriation or appropriations currently available for such services or supplies.

The Federal Government would not be liable for any claim based on the exercise or performance, or failure to exercise or perform, of a Federal agency or employee in carrying out the provisions of this section.

Any Federal agency designated by the President to exercise authority under this Act could establish and fund the necessary expenses of special groups, interdepartmental or otherwise, which it deemed appropriate to assist in carrying out Federal disaster preparedness and assistance laws.

Any Federal agency carrying out the provisions of this Act could accept and utilize facilities, funds, and services furnished by State or local governments or their personnel, and such Federal agency could temporarily employ additional personnel without regard to civil service laws and could contract or incur obligations on behalf of the United States for acquisition or rental of equipment, services, materials or supplies for shipping, drayage, travel and communications, and for supervising and administering such activities. Such obligations, including those for employment of temporary additional personnel could be incurred by a Federal agency in whatever amount the President made available to it.

The President would further be authorized to coordinate the activities of Federal agencies providing disaster assistance, direct any Federal agency to utilize its funds, personnel, equipment, supplies, facilities, and other resources, prescribe such rules and regulations as may be necessary, and exercise any power or authority conferred on him by any section of this Act either directly or through whatever Federal agency he designates.

Finally, through the Office of Emergency Preparedness, the President would periodically review the disaster assistance activities of Federal and State departments and agencies, in order to assure maximum coordination, and to evaluate progress in the development of Federal, State and local preparedness to cope with major disasters.

House amendment

Revises section 3(d) of Public Law 81-875 to provide that Federal contributions for permanent repair or replacement of public facilities of State and local governments shall not exceed the net cost of restoring such facilities, using the basis of design of the facilities as they existed immediately prior to the disaster, but in conformity with current codes and specifications.

Revises section 4, Public Law 81-875 to add the Salvation Army as a private relief organization authorized to distribute needed supplies in a disaster area.

Provides for the Director, OEP, to study and investigate what can be done to provide effective action to prevent or lessen losses of property and personal injury or deaths which could result from forest or grass fires, earthquakes, tornadoes, freezes and frosts, tsunami, storm surges and tides and floods which are or threaten to become major disasters. A report of the study and investigation to include recommendations should be submitted to the Congress no later than one year after enactment.

Conference substitute

This is essentially the same as the provisions of the Senate bill, expanded to include the Salvation Army and the Mennonite Disaster Service, specifically, in the provision dealing with the disposition of

certain medicine, food, and supplies and the rendering of emergency assistance, and to restrict the donation of certain equipment and supplies to State and local governments for their use or disposition in carrying out the purposes of the Act. It also authorizes emergency work including the making of repairs to, restoring to service, or replacing public facilities (including street, road, and highway facilities) of State and local governments damaged or destroyed by a major disaster, except that the Federal contribution therefor shall not exceed the net cost of restoring each such facility on the basis of the design of the facility as it existed immediately before the disaster, such restoration to be in conformity with current codes, specifications, and standards. The provisions of subsection (e) of this section of the Senate bill have been eliminated as unnecessary. The requirements in the House amendment of an investigation and study to determine what additional improved plans, procedures, and facilities are necessary to prevent or minimize property loss or damage and personal injuries and deaths from fires (forest and grass) earthquakes, tornadoes freezes and frosts, tsunami, storms, surges, tides, and floods have been added to this section.

USE OF LOCAL FIRMS AND INDIVIDUALS

Senate bill

Section 204 provides that in expending Federal funds for debris clearance, distribution of supplies, reconstruction and other major disaster assistance activities carried out by contract with private organizations, firms or individuals, preference should be given in awarding such contracts to residents and persons who do business primarily in the disaster area.

House amendment

No comparable provision.

Conference substitute

Same as the Senate bill.

FEDERAL GRANT-IN-AID PROGRAMS

Senate bill

Any agency administering aid to disaster areas would be authorized to waive the conditions, except matching provisions, for receipt of Federal grant-in-aid programs as would otherwise prevent the giving of assistance for the duration of the disaster proclamation, if inability to meet such conditions resulted from the disaster.

House amendment

No comparable provision.

Conference substitute

Same as the Senate bill. Limited, however, to a waiver of administrative procedural conditions rather than all conditions for assistance.

STATE DISASTER PLANS

Senate bill

This section provides for the formulation by the States of comprehensive plans and programs for preparation against major disasters and their losses. Grants up to \$250,000 would be made by the President to any applicant State on a matching basis for no more than half the

cost of developing such plans and programs and up to \$25,000 per annum would be made available to update and improve the developed plans.

To be eligible for a planning grant, a State would have to establish or designate an agency which would be responsible for developing and administering its disaster relief plan and program.

The resultant plan should include a comprehensive and detailed State program for preparation against and relief following a major disaster and include provisions for the appointment of a State co-ordinating office to assist the Federal coordinating officer appointed under section 201 of this Act.

From time to time, the Director would prepare a report to the President, for submission to the Congress, containing his recommendations for the Federal role in implementing, funding, and coordinating disaster relief activities.

House amendment

Amends section 8(c) of Public Law 91-79 to eliminate the cutoff date for State plans and provides that plans developed under this section shall be applicable to local governments as well as individuals.

Further amends section 8 of Public Law 91-79 by authorizing matching grants to States up to \$25,000 per annum for purposes of improving, maintaining, and updating State disaster assistance plans.

Conference substitute

This is the same as the Senate provision except for a clarifying amendment.

USE AND COORDINATION OF RELIEF ORGANIZATIONS

Senate bill

The Director would be authorized to make agreements with relief or disaster assistance organizations, including but not limited to the American National Red Cross, the Salvation Army, the Mennonite Board of Missions and Charities, to help the distribution of food, clothing, medicine and other supplies, and the restoration rehabilitation or reconstruction of community services and facilities. The Director would be authorized to make agreements with organizations which would allow the Federal coordinating officer to coordinate all relief activities of private agencies in a given disaster area. Such agreements would have to include provisions for compliance with regulations promulgated under sections 208 (duplication of benefits) and 209 (nondiscrimination).

House amendment

No comparable provision.

Conference substitute

This is essentially the same as the provisions of the Senate bill except for amendments to specifically include in both subsections the Salvation Army and the Mennonite Disaster Service.

DUPLICATION OF BENEFITS

Senate bill

The Director would be required to ascertain that no person or business would be receiving aid from more than one source for the same disaster damage. No person or business could receive assistance

from the government for any loss compensated by insurance, but partial compensation for a loss would not preclude additional Federal assistance for such part of the loss not compensated for otherwise. The Director would be required to determine whether any person had received duplicate benefits. Whenever the Director determined that a person or business had received assistance from more than one source which exceeded the amount of the loss, he would direct that person or business to reimburse the Federal Government for the part he deemed excessive but not in excess of the amount of Federal assistance received.

House amendment

No comparable provision.

Conference substitute

Same as the Senate provisions.

NONDISCRIMINATION IN DISASTER ASSISTANCE

Senate bill

The Director would be required to issue regulations forbidding discrimination by race, color, age, sex, nationality, religion or economic status in providing disaster relief supplies and services. Any relief organization participating in the distribution of assistance or supplies under section 207 must comply with these regulations relating to non-discrimination.

House amendment

No comparable provision.

Conference substitute

Same as the Senate provision.

ADVISORY PERSONNEL

Senate bill

The Director would be authorized to assign advisory personnel to the chief executive officer of a State or local government upon the request by such executive officer, in order to insure full utilization of relief and assistance resources and programs.

House amendment

No comparable provision.

Conference substitute

Does not contain this provision.

DISASTER WARNINGS

Senate bill

The President would be authorized to provide needed warning to governmental authorities and civilian population in areas endangered by imminent natural disasters.

House amendment

No comparable provision.

Conference substitute

Same as the Senate provision.

PREDISASTER ASSISTANCE

Senate bill

The President would be authorized to utilize Federal resources to assist States or local governments in preparations for an imminent major disaster to avert or lessen its effects.

House amendment

Permits the President to take effective action to avert or lessen the effects of a catastrophe which threatens to become a major disaster. It is not necessary for the President to declare a major disaster before assistance can be provided under this section.

Conference substitute

Same as the provisions of the House amendment.

EMERGENCY COMMUNICATIONS

Senate bill

The Director would be authorized to establish emergency communications in any major disaster area which would be made available to State and local government officials and other persons as he saw fit.

House amendment

No comparable provision.

Conference substitute

Essentially the same as the Senate provision, restricted, however, to the establishment of temporary communications during or in anticipation of an emergency.

EMERGENCY PUBLIC TRANSPORTATION

Senate bill

Emergency public transportation to governmental offices, supply centers, stores, post offices, schools, and major employment centers would be authorized in a major disaster area where regular public transportation had been disrupted in order that the community's normal pattern of life could be resumed as soon as possible.

House amendment

No comparable provision.

Conference substitute

Same as the Senate provision, restricted, however, to authority to provide temporary public transportation service.

DEBRIS REMOVAL

Senate bill

The President would be authorized to make grants to State and local governments for removal of debris from private lands or waters whenever he determined it to be in the public interest; except that these benefits would not be available unless State or local governments arranged unconditional authorization for the removal of debris and agreed to indemnify the Federal government for any claims resulting from this debris removal. Payments could also be made to remove debris from community areas which included an individual's private property.

House amendment

Authorizes the use of Federal agencies to clear debris from publicly and privately owned lands and waters, when determined to be in the public interest. Authorization is also provided for grants to any State for similar debris clearance. A requirement is imposed that State and local governments must arrange to provide unconditional authorizations for the removal of such debris and that the Federal Government be indemnified against claims arising from such removal.

Conference substitute

Same as the provisions of the House amendment.

FIRE SUPPRESSION GRANTS

Senate bill

The President would be authorized to make grants to any State in order to assist in the suppression of fires on publicly or privately owned forest and grass lands which threatened such destruction as would constitute a major disaster.

House amendment

No comparable provision.

Conference substitute

Same as the Senate provisions.

TEMPORARY HOUSING ASSISTANCE

Senate bill

The Director would be authorized to provide necessary shelter for owners or tenants whose places of residence had been made uninhabitable by a major disaster. Dwelling accommodations necessary for this purpose, including mobile homes, could be purchased or leased, and in turn could be rented or sold outright to the disaster victims to provide them with suitable housing. The housing would be placed by the State or local government or by the owner or occupant on sites complete with utilities without charge to the United States. The Director could decide in the public interest to provide more economical and accessible sites at Federal expense.

After an initial 90 days of occupancy rentals could be established. These rentals could be compromised, adjusted or waived for a period of not to exceed one year from date of occupancy according to the financial ability of the occupants, but in no case could the family's monthly housing expense be required to be more than one-fourth the family's monthly income.

The Director would be further authorized to provide grants as temporary assistance in the form of mortgage or rental payments to individuals who had suffered severe financial hardship caused by a major disaster and who had received written notice of dispossession or eviction from their residence because of foreclosure of a mortgage or lien, cancellation of a contract of sale, or termination of an oral or written lease. This assistance could be furnished for not in excess of one year or until the individual's financial hardship ended, whichever was the lesser. In addition the Director would provide reemployment assistance services to individuals who were unemployed as a result of a major disaster.

House amendment

Revises section 3(d) of Public Law 81-875 to provide that no rental shall be charged for the first 12 months for temporary housing and after that rentals to be charged based on fair market value adjusted to take into consideration the financial ability of the occupant to pay.

Provides that, notwithstanding any other provision of law, such temporary housing including, but not limited to mobile homes or other readily fabricated buildings which were purchased under proper disaster authorities for disaster victims requiring accommodations may be sold directly to disaster victims who are occupants at fair and equitable prices.

This section would authorize the President to provide financial assistance in the form of mortgage or rental payments to individuals or families who had suffered financial hardship caused by a major disaster, and who had received written notice of dispossession or eviction from their residence. The assistance could be furnished for not in excess of one year, or for the duration of the financial hardship, whichever is the lesser.

Conference substitute

This provision would authorize the Director to provide temporary housing or other emergency shelter, including mobile homes, for those who as a result of a major disaster require temporary housing or other emergency shelter. For the first 12 months of occupancy, no rental shall be established. Thereafter, rentals will be based on fair market value of the accommodations being furnished, adjusted to take into consideration financial ability of the occupant. Emergency housing which is acquired by purchase may be sold directly to the occupants at prices that are fair and equitable. Any mobile home or readily fabricated dwelling is to be placed on a site complete with utilities provided by State or local government or by the owner or occupant of the site without charge to the United States. The Director may elect to provide other more economical and accessible sites at Federal expense if he determines it to be in the public interest. Further, the President is authorized to provide assistance on a temporary basis in the form of mortgage or rental payments in the same manner as is provided in the House amendment. The President is authorized for the purposes of this provision and in furtherance of the purposes of section 240 of this Act to provide reemployment assistance services under other laws to individuals who are unemployed as a result of a major disaster.

SMALL BUSINESS DISASTER LOANS

Senate bill

This section would amend Section 7(b)(1) of the Small Business Act to provide that in the case of property loss or damage as the result of either a major disaster declared by the President or a disaster as determined by the Administrator of the Small Business Administration, the S.B.A. could make loans for the repair, rehabilitation or replacement of such property without regard to whether the necessary financial assistance is otherwise available from private sources.

S.B.A. could refinance any mortgage or other lien outstanding against a home or business which had been totally destroyed or substantially damaged by such a disaster if the refinancing was for the

purpose of repairing, rehabilitating or replacing the damaged or destroyed property. This refinancing could be provided even if financial assistance was otherwise available.

The section would further provide that the principal of any disaster loan in excess of \$500 could be canceled in an amount not in excess of \$2500. Payments of interest or principal could be wholly or partially deferred during the first three years of the term regardless of the ability of the borrower to make payments.

Section 231(b) would amend Section 7 of the Small Business Act to authorize the S.B.A. to make a loan to a small business concern located in an area affected by a disaster, if the S.B.A. determined that the concern had suffered a substantial economic injury as a result of such a disaster.

House amendment

Amends section 6 of the Disaster Relief Act of 1969, concerning the disaster loan authorities of the Small Business Administration by:

(1) Including as eligible for SBA disaster loans, such injury, loss, or damage which may result from a disaster when determined by (a) the Secretary of Agriculture; (b) the Administrator of the Small Business Administration; and (c) the President.

(2) Providing for standardizing the interest rates on loans. [even though assistance may be available from private sources.] The maximum allowable interest rate would be 6 percent.

(3) Providing that loans shall not be denied on the basis of the age of the applicant.

(4) Providing that such loans may not exceed the current repair or replacement cost of the disaster loss.

(5) Providing that in cases of hardship resulting from Presidentially determined disaster, the borrower may cancel the principal of any loan in excess of \$500, up to \$2,500.

(6) Provide for refinancing of mortgages and loans.

(7) Provide for loans without regard to whether private sources are available for such loans.

Conference substitute

In the administration of the disaster loan program under section 7(b) (1), (2), and (4) of the Small Business Act in the case of property loss or damage or injury resulting from a major disaster as determined by the President or a disaster determined by the Small Business Administrator, such Administrator—

(1) to the extent the loss, damage, or injury is not compensated for by insurance or otherwise (A) shall on that part of the loan in excess of \$500 cancel the principal, except that the total amount so canceled is not to be more than \$2,500. This clause, however, is to apply only to loans made to cover losses, damages, and injuries resulting from major disasters determined by the President, and (B) may defer interest or principal payments or both in whole or in part during the first three years of the term of the loan, these deferred payments, however, are to bear interest at the rate determined under section 234 of the Act;

(2) to the extent it is not compensated for by insurance or otherwise, may grant any loan to repair, rehabilitate, or replace property damaged or destroyed, whether or not financial assistance is otherwise available from private sources;

(3) may, in the case of total destruction or substantial damage of a home or business concern, refinance mortgages or other liens outstanding against that property if it is to be repaired, rehabilitated, or replaced with the limitation that the amount refinanced is not to exceed the amount of the physical loss sustained and that this refinancing is to be subject to the provisions of clauses (1) and (2) of this section.

FARMERS HOME ADMINISTRATION AGENCY LOANS

Senate bill

In the case of loss or damage to property, including household furnishings, resulting from a major disaster, the Secretary of Agriculture would be authorized by this section to make loans for the repair, rehabilitation or replacement of such property, and in the case of the total destruction of or substantial damage to a home or business concern resulting from a major disaster, to refinance any mortgage or other lien against such property for the purpose of repairing, rehabilitating or replacing the destroyed or damaged property.

To the extent such loss or damage was not compensated for by insurance or otherwise, the Secretary could, on the part of any loan or refinanced mortgage or lien in excess of \$500, cancel not to exceed \$2,500, and also could defer interest or principal payments, or both, during the first 3 years of the loan whether or not the borrower had the ability to make such payments.

House amendment

Provides the same amendments for Farmers Home Administration as for the Small Business Administration.

Conference substitute

This would provide the same benefits in the case of the Farmers Home Administration emergency loans as are provided in the conference substitute in the case of Small Business Administration loans.

LOANS HELD BY THE VETERANS' ADMINISTRATION

Senate bill

This section would amend section 1820(a)(2) of title 38, United States Code, to authorize the Administrator of the Veterans' Administration to agree to the modification of the terms of any loan made or acquired by him on any residential property securing such loan which was lost, destroyed, or damaged as the result of a major disaster. The section also would direct the Administrator in major disaster areas to provide the owner of such property with counseling and other services, to inform him of disaster assistance available from other Federal, state or local agencies and to extend such forbearance on an individual case basis as he determined to be warranted by the facts of the case.

House amendment

No comparable provision.

Conference substitute

Same as the Senate bill.

DISASTER LOAN INTEREST RATES

Senate bill

Any disaster loan made by a Federal agency under Sections 231, 232, 236(b), 237 or 241 of this Act would be at an interest rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on 10-12 year U.S. obligations less not to exceed 2 percent per year. Section 234(b) would make this same rate applicable to all disaster loans under Section 7(b) of the Small Business Act.

House amendment

The House provision relating to the disaster loan program under the Small Business Act and the emergency loan program under the Consolidated Farmers Home Act of 1961 each contains a provision that a loan made under those sections is not to exceed the current cost of repairing and replacing the disaster injury, loss, or damage in conformance with current codes and specifications. Any such loan is to bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity of 10 to 12 years, reduced by not to exceed 1 percent per annum but in no event is any such loan to bear interest at a rate in excess of 6 percent per annum.

Conference substitute

The provisions of the conference substitute are the same as those of the House amendment but made applicable to sections 231, 232, 236(b), and 237 of the Act and with the reduction in the interest rate not to exceed 2 percent per annum as contained in the Senate bill rather than 1 percent as contained in the House amendment, retaining, however, the ceiling of a 6 percent interest rate on such loans.

AGE OF APPLICANT FOR LOANS

Senate bill

All applicants for Federally administered disaster loans must be considered without discrimination because of age.

House amendment

Provided in the case of S.B.A. and the Farmers Home Administration loans that they are not to be denied on the basis of the applicant's age.

Conference substitute

Same as the Senate provision.

FEDERAL LOAN ADJUSTMENTS

Senate bill

The Secretary of Agriculture would be authorized to extend maturity dates of REA loans to a period not beyond forty years and to re-adjust payment schedules of borrowers from the Rural Electrification Administration, if the borrowers were unable to make payments because of disaster damage. The Secretary of HUD would be authorized to refinance any note or other obligation which could not be paid because of disaster damage. The interest rate could be reduced to a

rate specified pursuant to section 234. The maturity date could be extended to a period not exceeding 40 years. The Secretary could suspend payment of interest and principal and extend maturity of loans which might cause financial hardship.

House amendment

No comparable provision.

Conference substitute

Same as the provisions of the Senate bill.

AID TO MAJOR SOURCES OF EMPLOYMENT

Senate bill

The S.B.A. or the Farmers Home Administration would be authorized to make loans to industries and businesses which were a major source of employment in a disaster-striken area and which were no longer in substantial operation. Loans authorized by this section would be made without regard to limitations on the size of loans which might otherwise be imposed by law, regulation or other means. Loans could be at interest rates prescribed in section 234 but, the Administrator would be authorized to defer payments of principal and interest for up to three years.

House amendment

No comparable provision.

Conference substitute

Same as the provisions of the Senate bill, amended to make it clear that deferred payments are to bear interest at the rate determined under section 234 of the Act.

FOOD COUPONS AND DISTRIBUTION

Senate bill

The President would be authorized to distribute food stamps and surplus commodities to low-income households which were not able to purchase adequate amounts of nutritious food because of a major disaster. Such distribution of food stamps and commodities would be carried out pursuant to legislation now governing the handling of these matters. The President would be authorized to make coupon allotments and surplus commodities available to such households for as long as he determined necessary. He could take into account such factors as the effect of the disaster on the earning power of the recipient households.

House amendment

No comparable provision.

Conference substitute

Same as the provisions of the Senate bill.

LEGAL SERVICES

Senate bill

The Director would be authorized to provide needed legal services to low-income individuals, with advice and assistance of appropriate Federal agencies and State and local bar associations.

House amendment

No comparable provision.

Conference substitute

Provides that whenever the Director determines that low-income individuals are unable to secure legal services adequate to meet their needs as a consequence of a major disaster, consistent with the goals of the programs authorized by this Act, the Director shall assure that such programs are conducted with the advice and assistance of appropriate Federal agencies and State and local bar associations. The conferees intend the authority granted by this section to be confined to the securing of benefits under this Act and claims arising out of a major disaster.

UNEMPLOYMENT ASSISTANCE

Senate bill

The President would be authorized to provide assistance to those individuals unemployed as a result of a major disaster who were not receiving unemployment compensation or private income protection insurance. Any assistance provided under this section could not exceed the number of payments such an individual would have received if he had been qualified for State unemployment compensation payments.

House amendment

Makes permanent law the comparable provision of the Disaster Relief Act of 1969 on this subject.

Conference substitute

Same as the provisions of the Senate bill.

ASSISTANCE TO COMMUNITIES FOR LOSS OF TAX REVENUE

Senate bill

\$100,000,000 would be authorized for a Community Disaster Loan Fund to be established in the Treasury. This Fund would provide loans to local governments for use for three purposes: 1) meeting interest and principal payments on outstanding bonded indebtedness, 2) paying the local share of Federal grant-in-aid programs necessary for restoration of the disaster area, and 3) providing and maintaining essential public services, such as fire and police protection. To qualify for this kind of loan, a local government would have to have suffered a loss of more than 25 percent of its tax base or such a substantial amount that it could not otherwise meet payments on its obligations, its matching shares or its essential public services. For the first two years these loans would be interest free. The term of such loan may be of such duration as necessary but not to exceed 20 years.

Loans would be made at interest rates specified in Sec. 234. The President would be authorized to defer initial payments on such loans for five years or half the term of the loan, whichever is less.

Loans for any year could not exceed the difference between the average annual tax received by the local government for the three years preceding the disaster and the accrued property tax revenue for each of the three years following the disaster.

Reduction of tax rates and tax assessment valuation factors in effect at the time of the disaster would be prohibited during the three-year period after the disaster. Such sums as the President might determine necessary could be transferred to the Fund from disaster relief appropriations. Interest and principal payments on loans, as well as any other moneys, property or assets derived from operations of this section would be deposited in the Fund.

This Fund would furnish moneys for all loans, expenses and payments for operations under this section. At least once each fiscal year any interest on the average amount of appropriations accumulated as capital in the Fund, less the average undisbursed cash balance in the fund during year, would be paid into the Treasury as miscellaneous receipts. The rate of such interest could not exceed that charged for loans from the Fund. The Secretary of the Treasury could defer interest payments but interest would be charged on such deferred payments. Should the President at any time determine that the moneys in the Disaster Loan Fund exceeded present or any reasonable prospective requirements, he could transfer the excess to the general fund of the Treasury or to his disaster relief appropriations.

House amendment

This section would authorize the President to make grants to any local government, which, as a result of a major disaster has suffered a substantial loss of property tax revenue (both real and personal). The limitations placed upon these grants are: (1) They may only be made for the tax year in which disaster occurred and for each of the following two tax years. (2) The grant shall not exceed the difference between the annual average of all property tax revenues received during the three tax year period immediately preceding the tax year in which the major disaster occurred and the actual property tax revenue received for the tax year in which the disaster occurred and for each of the two succeeding tax years. (3) There must be no reduction in tax rates and tax assessment evaluation factors of the local government. If, however, there has been such a reduction, a grant may still be made for the year or years when such reduction is in effect, but, the President shall use the tax rates and tax assessment factors in effect at the time of the disaster without reduction in order to determine revenues which would have been received. These revenues will then be used in calculating the difference as the basis of determining the grant instead of the actual revenues.

Conference substitute

Same as the provisions of the House amendment.

TIMBER SALE CONTRACTS

Senate bill

The Secretary of the Interior and the Secretary of Agriculture would be authorized by subsection (a) to reimburse timber sale contractors or to arrange for road and trail construction and restoration costs incurred in restoring roads, previously authorized by contracts for the purchase of timber which had been damaged by major disasters. If the estimated cost of such additional construction would exceed (1) \$1000 for sales under one million board feet, or (2) \$1 per thousand board feet for sales of one to three million board feet, or (3) \$3000 for sales over three million feet, the increased cost would be borne by the United States.

If the Secretary determined that damages were so great that restoration, reconstruction or construction would not be practical under the above-cited sharing arrangement, subsection (b) would authorize him to cancel the contract.

Whenever the Secretary of Agriculture determined that the sale of timber from national forest would assist in construction of a damaged area, or would assist in sustaining the area's economy, or was necessary to salvage the value of the damaged timber, subsection (c) would authorize him to reduce to 7 days the required minimum period of advance notice of sale.

Subsection (d) would authorize the Director to make grants to States or political subdivisions to remove damaged timber from privately owned lands, and such States or political subdivisions in turn would be authorized to reimburse the actual expenses of persons who remove damaged timber but not in excess of the salvage value of the timber.

House amendment

Would continue in effect as permanent law comparable provisions in the Disaster Relief Act of 1969.

Conference substitute

Same as the Senate provision.

PUBLIC LAND ENTRYMAN

Senate bill

The Secretary of the Interior would be authorized to give any public land entryman additional time to comply with requirements of law in connection with a public land entry in any State affected by a major disaster if the Secretary found that because of a major disaster the entryman was unable to comply with such requirement.

House amendment

Would repeal, effective December 31, 1970, the comparable provision in the Disaster Relief Act of 1969.

Conference substitute

Contains no provision on this subject matter.

MINIMUM STANDARDS FOR STRUCTURE RESTORATION

Senate bill

Subsection (a) would require that minimum standards of safety, decency and sanitation, as prescribed in regulations by the Secretary of Housing and Urban Development, and current building codes and specifications, be applied to the building, repair or rehabilitation of any residential structure in a major disaster area carried out with the aid of loans or grants from Federal agencies or relief organizations. The Secretary would further be authorized to consult with other officials in Federal, State or local governments to carry out the purpose of the section and to have the necessary flexibility to be consistent with requirements of other applicable building regulations, codes and programs.

House amendment

No comparable provision.

Conference substitute

Provides that no loan or grant made by a relief organization operating under the supervision of the Director of OEP for repairing, restoring, reconstructing, or replacing a residential structure in a major disaster area is to be made unless the structure will be so repaired, restored, reconstructed, or replaced in accordance with the applicable standards of decency and sanitation and in conformity with applicable building codes and specifications.

FEDERAL FACILITIES

Senate bill

Upon the President's determination that repair, reconstruction, restoration or replacement of facilities owned by the United States was so important and urgent that it could not reasonably be deferred pending enactment of specific authorizing legislation or the making of an appropriation, he could authorize any Federal agency to repair, reconstruct, restore or replace any facilities damaged or destroyed in a major disaster that were under its jurisdiction. This work could begin notwithstanding a lack or insufficiency of funds where such lack or insufficiency could be remedied by the transfer, in accordance with law, of funds appropriated for another purpose.

House amendment

No comparable provision.

Conference substitute

Same as the provisions of the Senate bill.

STATE AND LOCAL GOVERNMENT FACILITIES

Senate bill

The President would be authorized to make contributions to States or local communities for repairing, restoring, reconstructing or replacing damaged portions of public facilities belonging to State or local governments, including flood control, navigation, irrigation, reclamation, public power, sewage treatment and collection, water supply and distribution, watershed development, airport, non-Federal-aid street, road or highway, and any other essential facility damaged by a major disaster. Such Federal contribution could not exceed 50% of the net cost of restoring such facility to its predisaster capacity and in conformity with applicable codes and specifications.

The President could also make contributions to States or local governments in amounts not in excess of 50% of the net cost of restoring such public facilities, which were in the process of construction when damaged or destroyed, to substantially their condition prior to the disaster and of completing construction not performed before the disaster to the extent that the increase in cost over the original construction cost was attributable to changed conditions caused by the disaster.

House amendment

Revises section 3(d) of PL 81-875 to provide that Federal contributions for permanent repair or replacement of public facilities of State and local governments shall not exceed the net cost of restoring

such facilities, using the basis of design of the facilities as they existed immediately prior to the disaster, but in conformity with current codes and specifications.

Conference substitute

Same as the provision of the Senate bill, except that the Federal share is increased from 50 to 100 percent of the net cost of restoring the facility on the basis of the design of the facility as it existed immediately prior to the disaster and in conformity with applicable codes and specifications, and the definition of the term "public facility" contained in the Senate provision is revised to eliminate the concept of "essential public facility" and to replace it with the more specific language of "public building, structure, or system, other than one used exclusively for recreation purposes".

**PRIORITY TO CERTAIN APPLICATIONS FOR PUBLIC FACILITY
AND PUBLIC HOUSING ASSISTANCE**

Senate bill

The President by proclamation would prescribe a period not to exceed six months during which processing of applications for assistance would be given priority and immediate assistance under the following Acts: Title II of the Housing Amendments of 1955 or any other act providing assistance for repair, construction or extension of public facilities; the United States Housing Act of 1937 providing low-rent housing; Section 702 of the Housing Act of 1954 providing assistance in public works planning; Section 702 of the Housing and Urban Development Act of 1965 providing grants for public facilities; or Section 306 of the Consolidated Farmers Home Administration Act.

House amendment

No comparable provision.

Conference substitute

Same as the Senate bill.

RELOCATION ASSISTANCE

Senate bill

This section would provide that no person otherwise eligible for relocation assistance payments under the Housing Act of 1949 would be denied eligibility as a result of a Presidential declared major disaster.

House amendment

The House had a similar provision.

Conference substitute

Provides that, notwithstanding any other provision of law, no person otherwise eligible for any kind of relocation assistance payment authorized under section 114 of the Housing Act of 1949 shall be denied such eligibility as a result of his being unable, because of a major disaster as determined by the President, to reoccupy property from which he was displaced by such disaster.

TECHNICAL AMENDMENTS

Senate bill

Makes various technical amendments in existing laws required by the adoption of the Disaster Relief Act of 1970.

House amendment

No comparable provision.

Conference substitute

Same as the Senate bill except for technical amendments.

REPEAL OF EXISTING LAW

Senate bill

Repeals three existing disaster laws: the basic 1950 Act (64 Stat 1109), the Disaster Relief Act of 1966 (80 Stat 1316) except for Section 7 (Higher Education Facilities Assistance in Disaster Areas) and the Disaster Relief Act of 1969.

House amendment

No comparable provision.

Conference substitute

Same as the Senate bill.

AUTHORIZATION OF APPROPRIATIONS

Senate bill

Except as provided in sections 206 and 241, such sums as may be necessary would be authorized to be appropriated as would be necessary to carry out the provisions of this Act.

House amendment

No comparable provision.

Conference substitute

Does not contain this kind of authorization since the Act itself authorizes whatever sums are needed to carry it out. Provides instead that funds allocated before the date of enactment of this Act under a Federal-State Disaster Agreement for the relief of a major disaster as defined in the Act of September 30, 1950 (Public Law 875, Eighty-first Congress), and not expended on the date of enactment of this Act may be used by the State to make payments to any person for reimbursement of expenses actually incurred by such person in the removal of debris from community areas, but not to exceed the amount that such expenses exceed the salvage value of such debris, or in otherwise carrying out the purposes of such Act of September 30, 1950, or this Act.

The inclusion of this provision is for emphasis only. It is not in any way to be construed as indicating that funds heretofore authorized for expenditure or that agreements, contracts, claims, or other obligations of any kind presently in being are in any way to be affected by the enactment of this Act.

EFFECTIVE DATE

Senate bill

The Act would take effect immediately upon enactment, except that sections 226(c), 237, 241, 252(a), and 254 would take effect as of August 1, 1969.

House amendment

Provides that the benefits of this act, and the amendments made by this act, shall apply to those Presidentially declared major disasters, and those disasters and natural disasters as determined by the Secretary of Agriculture and the Administrator of the Small Business Administration which occurred on or after December 1, 1968. In the case of any such disaster which occurs on or after December 1, 1968, and before the date of enactment of this act, the eligible applicant for assistance shall elect to receive such assistance either under this act (including the amendments made by this act) or under the law applicable to such disasters which occurred prior to December 1, 1968.

Conference substitute

Same as the provisions of Senate bill.

ROBERT E. JONES,
JIM WRIGHT,
HAROLD T. JOHNSON,
DON H. CLAUSEN,
FRED SCHWENGEL,
Managers on the Part of the House.

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Entry No.	Entry date	Port of entry
DCE 902	do	Do.
DCE 1091	Oct. 11, 1961	Do.
DCE 1270	Oct. 27, 1961	Do.
DCE 1297	Oct. 30, 1961	Do.
DCE 1669	Nov. 14, 1961	Do.
DCE 2131	Dec. 27, 1961	Do.

The amount stated in this Act is to be paid in settlement of the claims of the said Atkinson, Haserick and Company, Incorporated, based on a redetermination of duties based on the rate that should have been applied to such entries consistent with a decision by the United States Customs Court as to similar entries of spindles and parts thereof in the case of Atkinson, Haserick and Company, Incorporated, versus United States (52 Cust. Ct. 215, C.D. 2463 (1964)). No part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

(Mr. PHILBIN asked and was given permission to revise and extend his remarks.)

Mr. PHILBIN. Mr. Speaker, this bill provides for payment equal to refund on entries of certain spindles in accordance with a ruling of the Customs Court that the spindles should have been entered at a rate of 10 percent ad valorem rather than the 20 percent paid by the company.

In its report to the committee, the Treasury Department indicated that its records of the entries concerned in the bill had been destroyed. Accordingly, at the hearing a witness representing the company indicated that the company had reviewed its own records and secured evidence establishing the amounts that were overpaid.

The committee in its deliberations considered the affidavit in behalf of the company's vice president setting forth the amount of reimbursement sought in connection with each entry. This letter was forwarded by the committee to the Treasury Department which agreed with the amounts found in the Bureau's records, with the exception of one item relating to a payment of \$1,511.59 for merchandise other than spindles.

The committee, which had extended hearings, carefully considered all of the information submitted, and concluded that the bill provides for an equitable adjustment in view of all the circumstances in the case.

To allow the Customs Bureau to be the beneficiary of funds representing overcharge for customs duty on spindles would be unjust and not in accordance with equitable principles as determined by a court of justice, which passed upon the basic issues of this measure.

The bill was also unanimously reported by the House Judiciary Committee.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PERMISSION FOR COMMITTEE ON RULES TO FILE CERTAIN PRIVILEGED REPORTS

Mr. COLMER. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file certain privileged reports.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

Mr. GROSS. Mr. Speaker, reserving the right to object, can the distinguished gentleman from Mississippi give us any indication of what rules are proposed to be filed by midnight tonight?

Mr. COLMER. I will be glad to do so if the gentleman will yield.

Mr. GROSS. I yield to the gentleman.

Mr. COLMER. Mr. Speaker, this is the usual procedure followed by the Rules Committee of getting until midnight to file reports.

Mr. GROSS. In response; may I say to the gentleman I understand that his request is the usual procedure, but these are unusual times in the House.

Mr. COLMER. Yes, sir; and if my friend will bear with me further—if the gentleman will yield?

Mr. GROSS. Yes; of course I yield to the gentleman.

Mr. COLMER. The purpose of making the request as I did was to expedite the situation in view of the unusual times that we are in.

I will say to the gentleman from Iowa that the following four bills were reported by the Rules Committee to the floor of the House:

First, the United Nations addition;

Second, the so-called firefighter bill;

Third, the education integration bill; and

Fourth, the bill dealing with certain privileges to be granted to the Speaker of the House upon his retirement.

Mr. GROSS. I thank the gentleman.

Mr. Speaker, I withdraw my reservation.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

CONFERENCE REPORT ON S. 3619, FEDERAL PROGRAMS FOR RELIEF FROM EFFECTS OF MAJOR DISASTERS

Mr. BLATNIK, on behalf of Mr. JONES of Alabama, filed the following conference report and statement on the bill (S. 3619), to revise and expand Federal programs for relief from the effects of major disasters, and for other purposes:

CONFERENCE REPORT (H. REPT. NO. 91-1752)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 3619) to revise and expand Federal programs for the relief from the effects of major disasters, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and

agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following:

That this Act may be cited as the "Disaster Relief Act of 1970".

TITLE I—FINDINGS AND DECLARATIONS; DEFINITIONS

FINDINGS AND DECLARATIONS

SEC. 101. (a) The Congress hereby finds and declares that—

(1) because loss of life, human suffering, loss of income, and property loss and damage result from major disasters such as hurricanes, tornadoes, storms, floods, high waters, wind-driven waters, tidal waves, earthquakes, droughts, fires, and other catastrophes; and

(2) because such disasters disrupt the normal functioning of government and the community, and adversely affect individual persons and families with great severity; special measures, designed to assist the efforts of the affected States in expediting the rendering of aid, assistance, and emergency welfare services, and the reconstruction and rehabilitation of devastated areas, are necessary.

(b) It is the intent of the Congress, by this Act, to provide an orderly and continuing means of assistance by the Federal Government to State and local governments in carrying out their responsibilities to alleviate the suffering and damage which result from such disasters by—

(1) revising and broadening the scope of existing major disaster relief programs;

(2) encouraging the development of comprehensive disaster relief plans, programs, and organizations by the States; and

(3) achieving greater coordination and responsiveness of Federal major disaster relief programs.

DEFINITIONS

SEC. 102. As used in this Act—

(1) "major disaster" means any hurricane, tornado, storm, flood, high water, wind-driven water, tidal wave, earthquake, drought, fire, or other catastrophe in any part of the United States, which in the determination of the President, is or threatens to be of sufficient severity and magnitude to warrant disaster assistance by the Federal Government to supplement the efforts and available resources of States, local governments, and relief organizations in alleviating the damage, loss, hardship, or suffering caused thereby, and with respect to which the Governor of any State in which such catastrophe occurs or threatens to occur certifies the need for Federal disaster assistance under this Act and gives assurance of the expenditure of a reasonable amount of the funds of such State, its local governments, or other agencies for alleviating the damage, loss, hardship or suffering resulting from such catastrophe;

(2) "United States" means the fifty States, the District of Columbia, Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Trust Territory of the Pacific Islands;

(3) "State" means any State of the United States, the District of Columbia, Puerto Rico, the Virgin Islands, Guam, American Samoa, or the Trust Territory of the Pacific Islands;

(4) "Governor" means the chief executive of any State;

(5) "local government" means any county, city, village, town, district, or other political subdivision of any State, and includes any rural community or unincorporated town or village for which an application for assistance is made by a State or political subdivision thereof;

(6) "Federal agency" means any department, independent establishment, Government corporation, or other agency of the executive branch of the Federal Government, except the American National Red Cross; and

(7) "Director" means the Director of the Office of Emergency Preparedness.

TITLE II—THE ADMINISTRATION OF DISASTER ASSISTANCE

FEDERAL COORDINATING OFFICER

SEC. 201. (a) Immediately upon his designation of a major disaster area, the President shall appoint a Federal coordinating officer to operate under the Office of Emergency Preparedness in such area.

(b) In order to effectuate the purposes of this Act, the coordinating officer, within the designated area, shall

(1) make an initial appraisal of the types of relief most urgently needed;

(2) establish such field offices as he deems necessary and as are authorized by the Director;

(3) coordinate the administration of relief, including activities of the American National Red Cross, the Salvation Army, the Mennonite Disaster Service, and other relief or disaster assistance organizations which agree to operate under his advice or direction, except that nothing contained in this Act shall limit or in any way affect the responsibilities of the American National Red Cross under the Act of January 5, 1905, as amended (33 Stat. 599); and

(4) take such other action, consistent with authority delegated to him by the Director, and consistent with the provisions of this Act, as he may deem necessary to assist local citizens and public officials in promptly obtaining assistance to which they are entitled.

EMERGENCY SUPPORT TEAMS

SEC. 202. The Director is authorized to form emergency support teams of Federal personnel to be deployed in a major disaster area. Such emergency support teams shall assist the Federal coordinating officer in carrying out his responsibilities pursuant to section 201(b) of this Act. Upon request of the Director, the head of any Federal department or agency is authorized to detail to temporary duty with the emergency support teams on either a reimbursable or nonreimbursable basis, as is determined necessary by the discretion of the Director, such personnel within the administrative jurisdiction of the head of the Federal department or agency as the Director may need or believe to be useful for carrying out the functions of the emergency support teams, each such detail to be without loss of seniority, pay, or other employee status.

COOPERATION OF FEDERAL AGENCIES IN RENDERING EMERGENCY ASSISTANCE

SEC. 203. (a) In any major disaster, Federal agencies are hereby authorized, on direction of the President, to provide assistance by—

(1) utilizing or lending, with or without compensation therefor, to States and local governments, their equipment, supplies, facilities, personnel, and other resources, other than the extension of credit under the authority of any Act;

(2) distributing or rendering, through the American National Red Cross, the Salvation Army, the Mennonite Disaster Service, and other relief and disaster assistance organizations, or otherwise, medicine, food, and other consumable supplies, or emergency assistance;

(3) donating or lending equipment and supplies determined in accordance with applicable laws to be surplus to the needs and responsibilities of the Federal Government to State and local governments for use or distribution by them for the purposes of this Act; and

(4) performing on public or private lands or waters any emergency work essential for

the protection and preservation of life and property, including—

(A) clearing and removing debris and wreckage in accordance with section 224;

(B) making repairs to, restoring to service, or replacing public facilities (including street, road, and highway facilities) of State and local governments damaged or destroyed by a major disaster, except that the Federal contributions therefor shall not exceed the net cost of restoring each such facility on the basis of the design of such facility as it existed immediately prior to the disaster in conformity with current codes, specifications, and standards;

(C) providing emergency shelter for individuals and families who, as a result of a major disaster, require such assistance; and

(D) making contributions to State or local governments for the purpose of carrying out the provisions of paragraph (4).

(b) Emergency work performed under subsection (a) (4) of this section shall not preclude Federal assistance under any other section of this Act.

(c) Federal agencies may be reimbursed for expenditures under this Act from funds appropriated for the purposes of this Act. Any funds received by Federal agencies as reimbursement for services or supplies furnished under the authority of this section shall be deposited to the credit of the appropriation or appropriations currently available for such services or supplies.

(d) The Federal Government shall not be liable for any claim based upon the exercise or performance or the failure to exercise or perform a discretionary function or duty on the part of a Federal agency or an employee of the Federal Government in carrying out the provisions of this section.

(e) In carrying out the purposes of this Act, any Federal agency is authorized to accept and utilize the services or facilities of any State or local government, or of any agency, office, or employee thereof, with the consent of such government. Any Federal agency, in performing any activities under this section, is authorized to appoint and fix the compensation of such temporary personnel as may be necessary, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of such title relating to classification and General Schedule pay rates, to employ experts and consultants in accordance with the provisions of section 3109 of such title, and to incur obligations on behalf of the United States by contract or otherwise for the acquisition, rental, or hire of equipment, services, materials, and supplies for shipping, drayage, travel, and communication, and for the supervision and administration of such activities. Such obligations, including obligations arising out of the temporary employment of additional personnel, may be incurred by an agency in such amount as may be made available to it by the President.

(f) In the interest of providing maximum mobilization of Federal assistance under this Act, the President is authorized to coordinate in such manner as he may determine the activities of Federal agencies in providing disaster assistance. The President may direct any Federal agency, with or without reimbursement, to utilize its available personnel, equipment, supplies, facilities, and other resources in accordance with the authority herein contained. The President may prescribe such rules and regulations as may be necessary and proper to carry out any of the provisions of this Act, and he may exercise any power or authority conferred on him by any section of this Act either directly or through such Federal agency as he may designate.

(g) The President, acting through the Office of Emergency Preparedness, shall con-

duct periodic reviews (at least annually) of the activities of Federal and State departments or agencies providing disaster assistance, in order to assure maximum coordination of such programs, and to evaluate progress being made in the development of Federal, State, and local preparedness to cope with major disasters.

(h) The Director of the Office of Emergency Preparedness is authorized and directed to make in cooperation with the heads of other affected Federal and State agencies, a full and complete investigation and study for the purpose of determining what additional or improved plans, procedures, and facilities are necessary to provide immediate effective action to prevent or minimize losses of publicly or privately owned property and personal injuries or deaths which could result from fires (forest and grass), earthquakes, tornadoes, freezes and frost, tsunami, storm surges and tides, and floods, which are or threaten to become major disasters. Not later than one year after the date of enactment of this subsection, and from time to time, the Director of the Office of Emergency Preparedness shall report to Congress the findings of this study and investigation together with his recommendations with respect thereto.

USE OF LOCAL FIRMS AND INDIVIDUALS

SEC. 204. In the expenditure of Federal funds for debris clearance, distribution of supplies, reconstruction, and other major disaster assistance activities which may be carried out by contract with private organizations, firms, or individuals, preference shall be given, to the extent feasible and practicable, to those organizations, firms, and individuals who reside or do business primarily in the disaster area.

FEDERAL GRANT-IN-AID PROGRAMS

SEC. 205. Any Federal agency charged with the administration of a Federal grant-in-aid program is authorized, if so requested by the applicant State or local authorities, to modify or waive, for the duration of a major disaster proclamation, such administrative procedural conditions for assistance as would otherwise prevent the giving of assistance under such programs if the inability to meet such conditions is a result of the disaster.

STATE DISASTER PLANS

SEC. 206. (a) The President is authorized to provide assistance to the States in developing comprehensive plans and practicable programs for preparation against major disasters, and for relief and assistance for individuals, businesses, and local governments following such disasters. Such plans should include long-range recovery and reconstruction assistance plans for seriously damaged or destroyed public and private facilities.

(b) The President is authorized to make grants of not more than \$250,000 to any State, upon application therefor, for not to exceed 50 per centum of the cost of developing such plans and programs.

(c) Any State desiring assistance under this section shall designate or create an agency which is especially qualified to plan and administer such a disaster relief program, and shall, through such agency, submit a State plan to the President, which shall—

(1) set forth a comprehensive and detailed State program for preparation against, and relief following, a major disaster, including provisions for emergency and long-term assistance to individuals, businesses, and local governments; and

(2) include provision for the appointment of a State coordinating officer to act in cooperation with the Federal coordinating officer appointed under section 201 of this Act.

(d) From time to time the Director shall make a report to the President, for submission to the Congress, containing his recom-

mendations for programs for the Federal role in the implementation and funding of comprehensive disaster relief plans, and such other recommendations relating to the Federal role in disaster relief activities as he deems warranted.

(e) The President is authorized to make grants not to exceed 50 per centum of the cost of improving, maintaining, and updating State disaster assistance plans, except that no such grant shall exceed \$25,000 per annum to any State.

USE AND COORDINATION OF RELIEF ORGANIZATIONS

SEC. 207. (a) In providing relief and assistance following a major disaster, the Director may utilize, with their consent, the personnel and facilities of the American National Red Cross, the Salvation Army, the Mennonite Disaster Service, and other relief or disaster assistance organizations, in the distribution of medicine, food, supplies, or other items, and in the restoration, rehabilitation, or reconstruction of community services and essential facilities, whenever the Director finds that such utilization is necessary.

(b) The Director is authorized to enter into agreements with the American National Red Cross, the Salvation Army, the Mennonite Disaster Service, and other relief or disaster assistance organizations under which the disaster relief activities of such organizations may be coordinated by the Federal coordinating officer whenever such organizations are engaged in providing relief during and after a major disaster. Any such agreement shall include provisions conditioning use of the facilities of the Office of Emergency Preparedness and the services of the coordinating officer upon compliance with regulations promulgated by the Director under sections 208 and 209 of this Act, and such other regulations as the Director may require.

DUPPLICATION OF BENEFITS

SEC. 208. (a) The Director, in consultation with the head of each Federal agency administering any program providing financial assistance to persons, business concerns, or other entities suffering losses as the result of a major disaster, shall assure that no such person, business concern, or other entity will receive such assistance with respect to any part of such loss as to which he has received financial assistance under any other program.

(b) The Director shall assure that no person, business concern, or other entity receives any Federal assistance for any part of a loss suffered as the result of a major disaster if such person, concern, or entity received compensation from insurance or any other source for that part of such a loss. Partial compensation for a loss or a part of a loss suffered as the result of a major disaster does not preclude additional Federal assistance for any part of such a loss not compensated otherwise.

(c) Whenever the Director determines (1) that a person, business concern, or other entity has received assistance under this Act for a loss and that such person, business concern or other entity received assistance for the same loss from another source, and (2) that the amount received from all sources exceeded the amount of the loss, he shall direct such person, business concern, or other entity to pay to the Treasury an amount, not to exceed the amount of Federal assistance received, sufficient to reimburse the Federal Government for that part of the assistance which he deems excessive.

NONDISCRIMINATION IN DISASTER ASSISTANCE

SEC. 209. (a) The Director shall issue, and may alter and amend, such regulations as may be necessary for the guidance of personnel carrying out emergency relief functions at the site of a major disaster. Such regulations shall include provisions for insuring that the distribution of supplies, the process-

ing of applications, and other relief and assistance activities shall be accomplished in an equitable and impartial manner, without discrimination on the grounds of race, color, religion, nationality, sex, age, or economic status prior to a major disaster.

(b) As a condition of participation in the distribution of assistance or supplies under section 207, relief organizations shall be required to comply with regulations relating to nondiscrimination promulgated by the Director, and such other regulations applicable to activities within a major disaster area as he deems necessary for the effective coordination of relief efforts.

DISASTER WARNINGS

SEC. 210. The President is authorized to utilize or to make available to Federal, State, and local agencies the facilities of the civil defense communications system established and maintained pursuant to section 201(c) of the Federal Civil Defense Act of 1950, as amended (50 U.S.C. app. 2281(c)), for the purpose of providing needed warning to governmental authorities and the civilian population in areas endangered by imminent major disasters.

PREDISASTER ASSISTANCE

SEC. 221. If the President determines that a major disaster is imminent, he is authorized to use Federal departments, agencies, and instrumentalities, and all other resources of the Federal Government to avert or lessen the effects of such disaster before its actual occurrence.

EMERGENCY COMMUNICATIONS

SEC. 222. The Director is authorized during, or in anticipation of, an emergency to establish temporary communications in any major disaster area in order to carry out the functions of his office, and to make such communications available to State and local government officials and other persons as he deems appropriate.

EMERGENCY PUBLIC TRANSPORTATION

SEC. 223. The Director is authorized to provide temporary public transportation service to meet emergency needs in a major disaster area. Such service will provide transportation to governmental offices, supply centers, stores, post offices, schools, major employment centers, and such other places as may be necessary in order to enable the community to resume its normal pattern of life as soon as possible.

DEBRIS REMOVAL

SEC. 224. (a) The President, whenever he determines it to be in the public interest, is authorized—

(1) through the use of Federal departments, agencies, and instrumentalities, to clear debris and wreckage resulting from a major disaster from publicly and privately owned lands and waters.

(2) to make grants to any State or local government for the purpose of removing debris or wreckage resulting from a major disaster from publicly or privately owned lands and waters.

(b) No authority under this section shall be exercised unless the affected State or local government shall first arrange an unconditional authorization for removal of such debris or wreckage from public and private property, and, in the case of removal of debris or wreckage from private property, shall first agree to indemnify the Federal Government against any claim arising from such removal.

FIRE SUPPRESSION GRANTS

SEC. 225. The President is authorized to provide assistance, including grants, to any State for the suppression of any fire on publicly or privately owned forest or grassland which threatens such destruction as would constitute a major disaster.

TEMPORARY HOUSING ASSISTANCE

SEC. 226. (a) The Director is authorized to provide temporary housing or other emergency shelter, including, but not limited to, mobile homes or other readily fabricated dwellings for those who, as a result of such major disaster, require temporary housing or other emergency shelter, except that for the first twelve months of occupancy no rentals shall be established for any such accommodations, thereafter rentals shall be established, based upon fair market value of the accommodations being furnished, adjusted to take into consideration the financial ability of the occupant. Notwithstanding any other provision of law, any such emergency housing acquired by purchase may be sold directly to individuals and families who are occupants thereof at prices that are fair and equitable. Any mobile home or readily fabricated dwelling shall be placed on a site complete with utilities provided by State or local government, or by the owner or occupant of the site who was displaced by the major disaster, without charge to the United States. However, the Director may elect to provide other more economical and accessible sites at Federal expense when he determines such action to be in the public interest.

(b) The President is authorized to provide assistance on a temporary basis in the form of mortgage or rental payments to or on behalf of individuals and families who, as a result of financial hardship caused by a major disaster, have received written notice of dispossession or eviction from a residence by reason of foreclosure of any mortgage or lien, cancellation of any contract of sale, or termination of any lease, entered into prior to the disaster. Such assistance shall be provided for a period of not to exceed one year or for the duration of the period of financial hardship, whichever is the lesser. The President is authorized for the purposes of this subsection and in furtherance of the purposes of section 240 of this Act, to provide reemployment assistance services under other laws to individuals who are unemployed as a result of a major disaster.

SMALL BUSINESS DISASTER LOANS

SEC. 231. In the administration of the disaster loan program under section 7(b)(1), (2), and (4) of the Small Business Act, as amended (15 U.S.C. 636(b)), in the case of property loss or damage or injury resulting from a major disaster as determined by the President or a disaster as determined by the Administrator, the Small Business Administration—

(1) to the extent such loss or damage or injury is not compensated for by insurance or otherwise, (A) shall, on that part of any loan in excess of \$500, cancel the principal of the loan, except that the total amount so canceled shall not exceed \$2,500, except that this clause (A) shall apply only to loans made to cover losses and damage and injury resulting from major disasters as determined by the President, and (B) may defer interest payments or principal payments, or both, in whole or in part, on any loan made under this section during the first three years of the term of the loan except that any such deferred payments shall bear interest at the rate determined under section 234 of this Act.

(2) to the extent such injury, loss, or damage is not compensated for by insurance or otherwise, may grant any loan for repair, rehabilitation, or replacement of property damaged, or destroyed, without regard to whether the required financial assistance is otherwise available from private sources.

(3) may, in the case of the total destruction or substantial property damage of a home or business concern, refinance any mortgage or other liens outstanding against the destroyed or damaged property if such property to is to be repaired, rehabilitated, or replaced, except that the amount refi-

nanced shall not exceed the amount of the physical loss sustained. Any such refinancing shall be subject to the provisions of clauses (1) and (2) of this section.

FARMERS HOME ADMINISTRATION EMERGENCY LOANS

SEC. 232. In the administration of the emergency loan program under subtitle C of the Consolidated Farmers Home Administration Act of 1961, as amended (7 U.S.C. 1961-1967), and the rural housing loan program under section 502 of title V of the Housing Act of 1949, as amended (42 U.S.C. 1472), in the case of loss or damage, resulting from a major disaster as determined by the President, or a natural disaster as determined by the Secretary of Agriculture—

(1) to the extent such loss or damage is not compensated for by insurance or otherwise, (A) shall, on that part of any loan in excess of \$500, cancel the principal of the loan, except that the total amount so canceled shall not exceed \$2,500, except that this clause (A) shall apply only to loans made to cover losses and damage resulting from major disasters as determined by the President, and (B) may defer interest payments or principal payments, or both, in whole or in part, on any loan made under this section during the first three years of the term of the loan, except that any such deferred payments shall bear interest at the rate determined under section 234 of this Act.

(2) to the extent such injury, loss, or damage is not compensated for by insurance or otherwise, may grant any loan for repair, rehabilitation, or replacement of property damaged or destroyed, without regard to whether the required financial assistance is otherwise available from private sources.

(3) may, in the case of the total destruction or substantial property damage of homes or farm service buildings and related structures and equipment, refinance any mortgage or other liens outstanding against the destroyed or damaged property if such property is to be repaired, rehabilitated, or replaced, except that the amount refinanced shall not exceed the amount of the physical loss sustained. Any such refinancing shall be subject to the provisions of clauses (1) and (2) of this section.

LOANS HELD BY THE VETERANS' ADMINISTRATION

SEC. 233. (1) Section 1820(a)(2) of title 38, United States Code, is amended to read as follows:

"(2) subject to specific limitations in this chapter, consent to the modification, with respect to rate of interest, time of payment of principal or interest or any portion thereof, security or other provisions of any note, contract, mortgage or other instrument securing a loan which has been guaranteed, insured, made or acquired under this chapter;"

(2) Section 1820(f) of title 38, United States Code, is amended to read as follows:

"(f) Whenever loss, destruction, or damage to any residential property securing loans guaranteed, insured, made, or acquired by the Administrator under this chapter occurs as the result of a major disaster as determined by the President under the Disaster Assistance Act of 1970, the Administrator shall (1) provide counseling and such other service to the owner of such property as may be feasible and shall inform such owner concerning the disaster assistance available from other Federal agencies and from State or local agencies, and (2) pursuant to subsection (a)(2) of this section, extend on an individual case basis such forbearance or indulgence to such owner as the Administrator determines to be warranted by the facts of the case and the circumstances of such owner."

DISASTER LOAN INTEREST RATES

SEC. 234. Any loan made under sections 231, and 232 of this Act shall not exceed the current cost of repairing or replacing the

disaster injury, loss, or damage in conformity with current codes and specifications. Any loan made under sections 231, 232, 236(b) and 237 of this Act shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity of ten to twelve years reduced by not to exceed 2 per centum per annum. In no event shall any loan made under this section bear interest at a rate in excess of 6 per centum per annum.

AGE OF APPLICANT FOR LOANS

SEC. 235. In the administration of any Federal disaster loan program under the authority of section 231, 232, or 233 of this Act, the age of any adult loan applicant shall not be considered in determining whether such loan should be made or the amount of such loan.

FEDERAL LOAN ADJUSTMENTS

SEC. 236. (a) In addition to the loan extension authority provided in section 12 of the Rural Electrification Act, the Secretary of Agriculture is authorized to adjust and readjust the schedules for payment of principal and interest on loans to borrowers under programs administered by the Rural Electrification Administration, and to extend the maturity date of any such loan to a date not beyond forty years from the date of such loan where he determines such action is necessary because of the impairment of the economic feasibility of the system, or the loss, destruction, or damage of the property of such borrowers as a result of a major disaster.

(b) The Secretary of Housing and Urban Development is authorized to refinance any note or other obligation which is held by him in connection with any loan made by the Department of Housing and Urban Development or its predecessor in interest, or which is included within the revolving fund for liquidating programs established by the Independent Offices Appropriation Act of 1955, where he finds such refinancing necessary because of the loss, destruction, or damage (as a result of a major disaster) to property or facilities securing such obligations. The Secretary may authorize a suspension in the payment of principal and interest charges on, and an additional extension in the maturity of, any such loan for a period not to exceed five years if he determines that such action is necessary to avoid severe financial hardship.

AID TO MAJOR SOURCES OF EMPLOYMENT

SEC. 237. (a) The Small Business Administration in the case of a nonagricultural enterprise, and the Farmers Home Administration in the case of an agricultural enterprise, are authorized to provide any industrial, commercial, agricultural, or other enterprise, which has constituted a major source of employment in an area suffering a major disaster and which is no longer in substantial operation as a result of such disaster, a loan in such amount as may be necessary to enable such enterprise to resume operations in order to assist in restoring the economic viability of the disaster area. Loans authorized by this section shall be made without regard to limitations on the size of loans which may otherwise be imposed by any other provision of law or regulation promulgated pursuant thereto.

(b) Assistance under this section shall be in addition to any other Federal disaster assistance, except that such other assistance may be adjusted or modified to the extent deemed appropriate by the Director under the authority of section 208 of this Act. Any loan made under this section shall be subject to the interest requirements of section 234 of this Act, but the President, if he deems it necessary, may defer payments of principal and interest for a period not to exceed three years after the date of the loan. Any such deferred payments shall bear

interest at the rate determined under section 234 of this Act.

FOOD COUPONS AND DISTRIBUTION

SEC. 238. (a) Whenever the President determines that, as a result of a major disaster, low-income households are unable to purchase adequate amounts of nutritious food, he is authorized, under such terms and conditions as he may prescribe, to distribute through the Secretary of Agriculture coupon allotments to such households, pursuant to the provisions of the Food Stamp Act of 1964 and to make surplus commodities available pursuant to the provisions of section 203 of this Act.

(b) The President, through the Secretary of Agriculture is authorized to continue to make such coupon allotments and surplus commodities available to such households for so long as he determines necessary, taking into consideration such factors as he deems appropriate, including the consequences of the major disaster on the earning power of the households to which assistance is made available under this section.

(c) Nothing in this section shall be construed as amending or otherwise changing the provisions of the Food Stamp Act of 1964 except as they relate to the availability of food stamps in a major disaster area.

LEGAL SERVICES

SEC. 239. Whenever the Director determines that low-income individuals are unable to secure legal services adequate to meet their needs as a consequence of a major disaster, consistent with the goals of the programs authorized by this Act, the Director shall assure that such programs are conducted with the advice and assistance of appropriate Federal agencies and States and local bar associations.

UNEMPLOYMENT ASSISTANCE

SEC. 240. The President is authorized to provide to any individual unemployed as a result of a major disaster, such assistance as he deems appropriate while such individual is unemployed. Such assistance as the President shall provide shall not exceed to maximum amount and the maximum duration of payment under the unemployment compensation program of the State in which the disaster occurred, and the amount of assistance under this section to any such individual shall be reduced by any amount of unemployment compensation or of private income protection insurance compensation available to such individual for such period of unemployment.

COMMUNITY DISASTER GRANTS

SEC. 241. The President is authorized to make grants to any local government which, as the result of a major disaster, has suffered a substantial loss of property tax revenue (both real and personal). Grants made under this section may be made for the tax year in which the disaster occurred and for each of the following two tax years. The grant for any tax year shall not exceed the difference between the annual average of all property tax revenues received by the local government during the three-tax-year period immediately preceding the tax year in which the major disaster occurred and the actual property tax revenue received by the local government for the tax year in which the disaster occurred and for each of the two tax years following the major disaster but only if there has been no reduction in the tax rates and the tax assessment valuation factors of the local government. If there has been a reduction in the tax rates or the tax assessment valuation factors then, for the purpose of determining the amount of a grant under this section for the year or years when such reduction is in effect, the President shall use the tax rates and tax assessment valuation factors of the local government in effect at the time of the disaster without reduction, in order to deter-

mine the property tax revenues which would have been received by the local government but for such reduction.

TIMBER SALE CONTRACTS

SEC. 242. (a) Where an existing timber sale contract between the Secretary of Agriculture or the Secretary of the Interior and a timber purchaser does not provide relief from major physical change not due to negligence of the purchaser prior to approval of construction of any section of specified road or of any other specified development facility and, as a result of a major disaster, a major physical change results in additional construction work in connection with such road or facility by such purchaser with an estimated cost, as determined by the appropriate Secretary, (1) of more than \$1,000 for sales under one million board feet, (2) of more than \$1 per thousand board feet for sales of one of three million board feet, or (3) of more than \$3,000 for sales over three million board feet, such increased construction cost shall be borne by the United States.

(b) If the Secretary determines that damages are so great that restoration, reconstruction, or construction is not practical under the cost-sharing arrangement authorized by subsection (a) of this section, the Secretary may allow cancellation of the contract notwithstanding contrary provisions therein.

(c) The Secretary of Agriculture is authorized to reduce to seven days the minimum period of advance public notice required by the first section of the Act of June 4, 1897 (16 U.S.C. 476), in connection with the sale of timber from national forests, whenever the Secretary determines that (1) the sale of such timber will assist in the construction of any area of a State damaged by a major disaster, (2) the sale of such timber will assist in sustaining the economy of such area, or (3) the sale of such timber is necessary to salvage the value of timber damaged in such major disaster or to protect undamaged timber.

(d) The President, when he determines it to be in the public interest, and acting through the Director of Emergency Preparedness, is authorized to make grants to any State or local government for the purpose of removing from privately owned lands timber damaged as a result of a major disaster, and such State or local government is authorized upon application, to make payments out of such grants to any person for reimbursement of expenses actually incurred by such person in the removal of damaged timber, not to exceed the amount that such expenses exceed the salvage value of such timber.

MINIMUM STANDARDS FOR RESIDENTIAL STRUCTURE RESTORATION

SEC. 243. No loan or grant made by any relief organization operating under the supervision of the Director, for the repair, restoration, reconstruction, or replacement of any residential structure located in a major disaster area shall be made unless such structure will be repaired, restored, reconstructed, or replaced in accordance with applicable standards of safety, decency, and sanitation and in conformity with applicable building codes and specifications.

FEDERAL FACILITIES

SEC. 251. The President may authorize any Federal agency to repair, reconstruct, restore, or replace any facility owned by the United States and under the jurisdiction of such agency which is damaged or destroyed by any major disaster if he determines that such repair, reconstruction, restoration, or replacement is of such importance and urgency that it cannot reasonably be deferred pending the enactment of specific authorizing legislation or the making of an appropriation for such purposes. In order to carry out the

provisions of this section, such repair, reconstruction, restoration, or replacement may be begun notwithstanding a lack or an insufficiency of funds appropriated for such purpose, where such lack or insufficiency can be remedied by the transfer, in accordance with law, of funds appropriated to that agency for another purpose.

STATE AND LOCAL GOVERNMENT FACILITIES

SEC. 252. (a) The President is authorized to make contributions to State or local governments to repair, restore, reconstruct, or replace public facilities belonging to such State or local governments which were damaged or destroyed by a major disaster, except that the Federal contribution therefor shall not exceed 100 per centum of the net cost of repairing, restoring, reconstructing, or replacing any such facility on the basis of the design of such facility as it existed immediately prior to such disaster and in conformity with applicable codes, specifications, and standards.

(b) In the case of any such public facilities which were in the process of construction when damaged or destroyed by a major disaster, the Federal contribution shall not exceed 50 per centum of the net costs of restoring such facilities substantially to their prior to such disaster condition and of completing construction not performed prior to the major disaster to the extent the increase of such cost over the original construction cost is attributable to changed conditions resulting from a major disaster.

(c) For the purposes of this section "public facility" includes any flood control, navigation, irrigation, reclamation, public power, sewage treatment and collection, water supply and distribution, watershed development, or airport facility, any non-Federal-aid street, road, or highway, and any other public building, structure, or system, other than one used exclusively for recreation purposes.

PRIORITY TO CERTAIN APPLICATIONS FOR PUBLIC FACILITY AND PUBLIC HOUSING ASSISTANCE

SEC. 253. In the processing of applications for assistance, priority and immediate consideration may be given, during such period, not to exceed six months, as the President shall prescribe by proclamation, to applications from public bodies situated in major disaster areas, under the following Acts:

(1) title II of the Housing Amendments of 1955, or any other Act providing assistance for repair, construction, or extension of public facilities;

(2) the United States Housing Act of 1937 for the provision of low-rent housing;

(3) section 702 of the Housing Act of 1954 for assistance in public works planning;

(4) section 702 of the Housing and Urban Development Act of 1965 providing for grants for public facilities; or

(5) section 306 of the Consolidated Farmers Home Administration Act.

RELOCATION ASSISTANCE

SEC. 254. Notwithstanding any other provision of law, no person otherwise eligible for any kind of relocation assistance payment authorized under section 114 of the Housing Act of 1949 shall be denied such eligibility as a result of his being unable, because of a major disaster as determined by the President, to reoccupy property from which he was displaced by such disaster.

TITLE III—MISCELLANEOUS TECHNICAL AMENDMENTS

SEC. 301. (a) Section 701(a)(3)(B)(ii) of the Housing Act of 1954 (40 U.S.C. 461(a)(3)(B)(ii)) is amended to read as follows: "(ii) have suffered substantial damage as a result of a major disaster as determined by the President pursuant to the Disaster Relief Act of 1970".

(b) Section 8(b)(2) of the National Housing Act (12 U.S.C. 1706c(b)(2)) is amended by striking out of the last proviso "section

2(a) of the Act entitled 'An Act to authorize Federal assistance to States and local governments in major disasters, and for other purposes' (Public Law 875, Eighty-first Congress, approved September 30, 1950)" and inserting in lieu thereof "section 102(1) of the Disaster Relief Act of 1970".

(c) Section 203(h) of the National Housing Act (12 U.S.C. 1709(h)) is amended by striking out "section 2(a) of the Act entitled 'An Act to authorize Federal assistance to States and local governments in major disasters, and for other purposes' (Public Law 875, Eighty-first Congress, approved September 30, 1950), as amended" and inserting in lieu thereof "section 102(1) of the Disaster Relief Act of 1970".

(d) Section 221(f) of the National Housing Act (12 U.S.C. 1715f(f)) is amended by striking out of the last paragraph "the Act entitled 'An Act to authorize Federal assistance to States and local governments in major disasters, and for other purposes', approved September 30, 1950, as amended (42 U.S.C. 1855-1855g)" and inserting in lieu thereof "the Disaster Relief Act of 1970".

(e) Section 7(a)(1)(A) of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress, as amended; 20 U.S.C. 241-1(a)(1)(A)), is amended by striking out "pursuant to section 2(a) of the Act of September 30, 1950 (42 U.S.C. 1855a(a))" and inserting in lieu thereof "pursuant to section 102(1) of the Disaster Relief Act of 1970".

(f) Section 16(a) of the Act of September 23, 1950 (79 Stat. 1158; 20 U.S.C. 646(a)) is amended by striking out "section 2(a) of the Act of September 30, 1950 (42 U.S.C. 1855a(a))" and inserting in lieu thereof "section 102(1) of the Disaster Relief Act of 1970".

(g) Section 408(a) of the Higher Education Facilities Act of 1963 (20 U.S.C. 758(a)) is amended by striking out "section 2(a) of the Act of September 30, 1950 (42 U.S.C. 1855a(a))" and inserting in lieu thereof "section 102(1) of the Disaster Relief Act of 1970".

(h) Section 165(h)(2) of the Internal Revenue Code of 1954, relating to disaster losses (26 U.S.C. 165(h)(2)), is amended to read as follows:

"(2) occurring in an area subsequently determined by the President of the United States to warrant assistance by the Federal Government under the Disaster Relief Act of 1970."

(i) Section 5064(a) of the Internal Revenue Code of 1954 (26 U.S.C. 5064(a)), relating to losses caused by disaster, is amended by striking out "the Act of September 30, 1950 (42 U.S.C. 1855)" and inserting in lieu thereof "the Disaster Relief Act of 1970".

(j) Section 5708(a) of the Internal Revenue Code of 1954 (26 U.S.C. 5708(a)), relating to losses caused by disaster, is amended by striking out "the Act of September 30, 1950 (42 U.S.C. 1855)" and inserting in lieu thereof "the Disaster Relief Act of 1970".

(k) Section 3 of the Act of June 30, 1954 (68 Stat. 330; 48 U.S.C. 1681), is amended by striking out of the last sentence "section 2 of the Act of September 30, 1950 (64 Stat. 1109), as amended (42 U.S.C. 1855a)" and inserting in lieu thereof "section 102(1) of the Disaster Relief Act of 1970".

(l) Whenever reference is made in any provision of law (other than this Act), regulation, rule, record, or document of the United States to the Act of September 30, 1950 (64 Stat. 1109), or any provision of such Act, such reference shall be deemed to be a reference to the Disaster Relief Act of 1970 or to the appropriate provision of the Disaster Relief Act of 1970 unless no such provision is included therein.

REPEAL OF EXISTING LAW

SEC. 302. The following Acts are hereby repealed:

(1) the Act of September 30, 1950 (64 Stat. 1109);

(2) the Disaster Relief Act of 1966, except section 7 (80 Stat. 1316); and
 (3) the Disaster Relief Act of 1969 (83 Stat. 125).

PRIOR ALLOCATION OF FUNDS

SEC. 303. Funds allocated before the date of enactment of this Act under a Federal-State Disaster Agreement for the relief of a major disaster as defined in the Act of September 30, 1950 (Public Law 875, Eighty-first Congress), and not expended on the date of enactment of this Act may be used by the State to make payments to any person for reimbursement of expenses actually incurred by such person in the removal of debris from community areas, but not to exceed the amount that such expenses exceed the salvage value of such debris, or in otherwise carrying out the purposes of such Act of September 30, 1950, or this Act.

EFFECTIVE DATE

SEC. 304. This Act shall take effect immediately upon its enactment, except that sections 226(b), 237, 241, 252(a), and 254 shall take effect as of August 1, 1969, and sections 231, 232, and 233 shall take effect as of April 1, 1970.

And the House agree to the same.

ROBERT E. JONES,
 JIM WRIGHT,
 HAROLD T. JOHNSON,
 DON H. CLAUSEN,
 FRED SCHWENGEL,

Managers on the Part of the House.

BIRCH BAYH,
 WILLIAM B. SPOONER,
 THOMAS F. EAGLETON,
 ROBERT DOLE,
 EDWARD J. GURNEY,

Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 3619) to revise and expand Federal programs for relief from the effects of major disasters, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The House amendment struck out all of the Senate bill after the enacting clause and inserted a substitute. The Senate recedes from its disagreement to the amendment of the House, with an amendment which is a substitute for both the Senate bill and the House amendment. The differences between the House amendment and the substitute agreed to in conference are noted below except for minor technical and clarifying changes made necessary by reason of the conference agreement.

The bill as passed by the Senate establishes an entirely new basic Federal disaster relief law and repeals all of the major substantive provisions dealing with this subject which are presently on the statute books. The House amendment, by a series of cut-and-bite amendments, retained all of the existing provisions of law but expanded them and tied them together through uniformity of definition and otherwise. The proposed conference substitute adopts the approach of the Senate bill and provides for a new basic law and the repeal of existing statutes on the subject.

TITLE I

Short title

Senate Bill

This section provided that the Act may be cited as the "Disaster Assistance Act of 1970".

House Amendment

This section provided that the Act may be cited as the "Disaster Relief Act of 1970".

Conference Substitute

The same as the House provision.

Findings and declaration

Senate Bill

The Congress would find and declare that because major disasters cause loss of life, human suffering, loss of income, property loss and damage and because such disasters disrupt the normal functioning of government and the community special measures are required to expedite assistance and emergency welfare services and reconstruct and rehabilitate devastated areas.

The Congress would under this Act provide orderly and continuing means of alleviating suffering and damage by (1) revising and broadening existing major disaster relief programs (2) encouraging development of comprehensive State disaster plans and (3) achieving greater coordination and responsiveness of Federal major disaster relief programs.

House Amendment

No comparable provision

Conference Substitute

The conference substitute is essentially the same as the Senate provisions with minor clarifying amendments to more clearly express the intention of Congress.

Definitions

Senate Bill

Definitions in this section are the same as P.L. 875, 81st Congress, except for the addition of the words "tornado, highwater, wind-driven water, and tidal wave" to the definition of "major disaster."

House Amendment

Amends the definition of the term "major disaster" in Public Law 81-875 to require that Governors certify a need for "Federal disaster assistance" rather than just assistance under Public Law 81-875. The amendment also deletes a reference to the Board of Commissioners of the District of Columbia since that Board no longer exists.

Amends the definition of the term State to include the District of Columbia.

Deletes the reference to the District of Columbia in the definition of local government.

Conference Substitute

Except for minor clarifying amendments, this is the same as the provisions of the Senate bill.

Federal coordinating officer

Senate Bill

Section 201 provides for the presidential appointment of a Federal Coordinating Officer for the designated disaster area. The duties of this officer would include but not necessarily be limited to these functions: 1) initial appraisal of the relief most needed, 2) establishment of field offices, 3) coordination of relief distribution activities, and 4) supervision of emergency support teams and other actions to assist local citizens and officials to receive aid.

House Amendment

No comparable provision

Conference Substitute

This is essentially the same as the Senate provisions, expanded however to include the Salvation Army and the Mennonite Disaster Service, as well as the American National Red Cross as among those agencies whose activities would be coordinated with a disclaimer that nothing in the Act is to limit or affect the responsibilities of the Red Cross under the Act of January 5, 1905, as amended.

Emergency support teams

Senate Bill

Section 202 would authorize the Director to form emergency support teams and personnel to assist the Federal Coordinating Officer in carrying out his responsibilities as defined under section 201.

House Amendment

No comparable provision.

Conference Substitute

This is essentially the provisions of the Senate bill with amendments to require the support teams to be of Federal personnel and to specifically authorize the head of any Federal department or agency to detail to temporary duty with these emergency support teams, either on a reimbursable or nonreimbursable basis, personnel within the jurisdiction of his department or agency.

Cooperation of Federal agencies

Senate Bill

This section would authorize Federal agencies to assist disaster areas in several ways, including: the utilization or lending of personnel, facilities, supplies, equipment, and other resources except extension of credit, with or without compensation, to State and local governments; the distribution of medicine, food and other consumable supplies and the rendering of emergency services through relief and disaster assistance organizations; the donation or lending of Federal surplus equipment and supplies; and the performing on public or private lands or waters of any emergency work essential for the protection and preservation of life and property.

Such emergency work would include clearing and removing debris and wreckage. It would also include making repairs, or restoring to service, damaged or destroyed public facilities belonging to State and local governments, except that the Federal contribution would not exceed the net cost of restoring such facilities to their predisaster capacity.

Assistance by Federal agencies would also provide for emergency shelter for individuals and families who require such assistance because of a major disaster.

Federal agencies could also make contributions to State or local governments for the purpose of carrying out the types of assistance authorized under section 203(a)(4).

Emergency work performed under section 203(a)(4) would not bar additional Federal assistance under any other section of the Act.

Federal agencies could be reimbursed for services and supplies under section 203(a) from funds appropriated under this Act. Any funds paid to Federal agencies for services or supplies furnished under the provisions of this section would be deposited to the credit of the appropriation or appropriations currently available for such services or supplies.

The Federal Government would not be liable for any claim based on the exercise or performance, or failure to exercise or perform, of a Federal agency or employee in carrying out the provisions of this section.

Any Federal agency designated by the President to exercise authority under this Act could establish and fund the necessary expenses of special groups, interdepartmental or otherwise, which it deemed appropriate to assist in carrying out Federal disaster preparedness and assistance laws.

Any Federal agency carrying out the provisions of this Act could accept and utilize facilities, funds, and services furnished by State or local governments or their personnel, and such Federal agency could temporarily employ additional personnel without regard to civil service laws and could contract or incur obligations on behalf of the United States for acquisition or rental of equipment, services, materials or supplies for shipping, drayage, travel and communications, and for supervising and administering such activities. Such obligations, including those for employment of temporary additional personnel could be incurred by a Federal agency in whatever amount the President made available to it.

The President would further be authorized to coordinate the activities of Federal agencies providing disaster assistance, direct any Federal agency to utilize its funds, personnel, equipment, supplies, facilities, and other resources, prescribe such rules and regulations as may be necessary, and exercise any power or authority conferred on him by any section of this Act either directly or through whatever Federal agency he designates.

Finally, through the Office of Emergency Preparedness, the President would periodically review the disaster assistance activities of Federal and State departments and agencies, in order to assure maximum coordination, and to evaluate progress in the development of Federal, State and local preparedness to cope with major disasters.

House Amendment

Revise section 3(d) of Public Law 81-875 to provide that Federal contributions for permanent repair or replacement of public facilities of State and local governments shall not exceed the net cost of restoring such facilities, using the basis of design of the facilities as they existed immediately prior to the disaster, but in conformity with current codes and specifications.

Revises section 4, Public Law 81-875 to add the Salvation Army as a private relief organization authorized to distribute needed supplies in a disaster area.

Provides for the Director, OEP, to study and investigate what can be done to provide effective action to prevent or lessen losses of property and personal injury or deaths which could result from forest or grass fires, earthquakes, tornadoes, freezes and frosts, tsunami, storm surges and tides and floods which are or threaten to become major disasters. A report of the study and investigation to include recommendations should be submitted to the Congress no later than one year after enactment.

Conference Substitute

This is essentially the same as the provisions of the Senate bill, expanded to include the Salvation Army and the Mennonite Disaster Service, specifically, in the provision dealing with the disposition of certain medicine, food, and supplies and the rendering of emergency assistance, and to restrict the donation of certain equipment and supplies to State and local governments for their use or disposition in carrying out the purposes of the Act. It also authorizes emergency work including the making of repairs to, restoring to service, or replacing public facilities (including street, road, and highway facilities) of State and local governments damaged or destroyed by a major disaster, except that the Federal contribution therefor shall not exceed the net cost of restoring each such facility on the basis of the design of the facility as it existed immediately before the disaster, such restoration to be in conformity with current codes, specifications, and standards. The provisions of subsection (e) of this section of the Senate bill have been eliminated as unnecessary. The requirements in the House amendment of an investigation and study to determine what additional improved plans, procedures, and facilities are necessary to prevent or minimize property loss or damage and personal injuries and deaths from fires (forest and grass), earthquakes, tornadoes, freezes and frosts, tsunami, storms, surges, tides, and floods have been added to this section.

Use of local firms and individuals

Senate Bill

Section 204 provides that in expending Federal funds for debris clearance, distribution of supplies, reconstruction and other major disaster assistance activities carried out by contract with private organizations, firms or individuals, preference should be given in awarding such contracts to residents and persons who do business primarily in the disaster area.

House Amendment

No comparable provision.

Conference Substitute

Same as the Senate bill.

Federal grant-in-aid programs

Senate Bill

Any agency administering aid to disaster areas would be authorized to waive the conditions, except matching provisions, for receipt of Federal grant-in-aid programs as would otherwise prevent the giving of assistance for the duration of the disaster proclamation, if inability to meet such conditions resulted from the disaster.

House Amendment

No comparable provision.

Conference Substitute

Same as the Senate bill. Limited, however, to a waiver of administrative procedural conditions rather than all conditions for assistance.

State disaster plans

Senate Bill

This section provides for the formulation by the States of comprehensive plans and programs for preparation against major disasters and their losses. Grants up to \$250,000 would be made by the President to any applicant State on a matching basis for no more than half the cost of developing such plans and programs and up to \$25,000 per annum would be made available to update and improve the developed plans.

To be eligible for a planning grant, a State would have to establish or designate an agency which would be responsible for developing and administering its disaster relief plan and program.

The resultant plan should include a comprehensive and detailed State program for preparation against and relief following a major disaster and include provisions for the appointment of a State coordinating office to assist the Federal coordinating officer appointed under section 201 of this Act.

From time to time, the Director would prepare a report to the President, for submission to the Congress, containing his recommendations for the Federal role in implementing, funding, and coordinating disaster relief activities.

House Amendment

Amends section 8(c) of Public Law 91-79 to eliminate the cutoff date for State plans and provides that plans developed under this section shall be applicable to local governments as well as individuals.

Further amends section 8 of Public Law 91-79 by authorizing matching grants to States up to \$25,000 per annum for purposes of improving, maintaining, and updating State disaster assistance plans.

Conference Substitute

This is the same as the Senate provision except for a clarifying amendment.

Use and coordination of relief organizations

Senate Bill

The Director would be authorized to make agreements with relief or disaster assistance organizations, including but not limited to the American National Red Cross, the Salvation Army, the Mennonite Board of Missions and Charities, to help the distribution of food, clothing, medicine and other supplies, and the restoration rehabilitation or reconstruction of community services and facilities. The Director would be authorized to make agreements with organizations which would allow the Federal coordinating officer to coordinate all relief activities of private agencies in a given disaster area. Such agreements would have to include provisions for compliance with regulations promulgated under Sections 208 (Duplication of Benefits) and 209 (Nondiscrimination).

House Amendment

No comparable provision.

Conference Substitute

This is essentially the same as the provisions of the Senate bill except for amendments to specifically include in both subsections the Salvation Army and the Mennonite Disaster Service.

Duplication of benefits

Senate Bill

The Director would be required to ascertain that no person or business would be receiving aid from more than one source for the same disaster damage. No person or business could receive assistance from the government for any loss compensated by insurance, but partial compensation for a loss would not preclude additional Federal assistance for such part of the loss not compensated for otherwise. The Director would be required to determine whether any person had received duplicate benefits. Whenever the Director determined that a person or business had received assistance from more than one source which exceeded the amount of the loss, he would direct that person or business to reimburse the Federal Government for the part he deemed excessive but not in excess of the amount of Federal assistance received.

House Amendment

No comparable provision.

Conference Substitute

Same as the Senate provisions.

Nondiscrimination in disaster assistance

Senate Bill

The Director would be required to issue regulations forbidding discrimination by race, color, age, sex, nationality, religion or economic status in providing disaster relief supplies and services. Any relief organization participating in the distribution of assistance or supplies under section 207 must comply with these regulations relating to non-discrimination.

House Amendment

No comparable provision.

Conference Substitute

Same as the Senate provision.

Advisory personnel

Senate Bill

The Director would be authorized to assign advisory personnel to the chief executive officer of a State or local government upon the request by such executive officer, in order to insure full utilization of relief and assistance resources and programs.

House Amendment

No comparable provision.

Conference Substitute

Does not contain this provision.

Disaster warnings

Senate Bill

The President would be authorized to provide needed warning to governmental authorities and civilian population in areas endangered by imminent natural disasters.

House Amendment

No comparable provision.

Conference Substitute

Same as the Senate provision.

Predisaster assistance

Senate Bill

The President would be authorized to utilize Federal resources to assist States or local governments in preparations for an imminent major disaster to avert or lessen its effects.

House Amendment

Permits the President to take effective action to avert or lessen the effects of a catas-

trophe which threatens to become a major disaster. It is not necessary for the President to declare a major disaster before assistance can be provided under this section.

Conference Substitute

Same as the provisions of the House amendment.

Emergency communications

Senate Bill

The Director would be authorized to establish emergency communications in any major disaster area which would be made available to State and local government officials and other persons as he saw fit.

House Amendment

No comparable provision.

Conference Substitute

Essentially the same as the Senate provision, restricted, however, to the establishment of temporary communications during or in anticipation of an emergency.

Emergency public transportation

Senate Bill

Emergency public transportation to governmental offices, supply centers, stores, post offices, schools, and major employment centers would be authorized in a major disaster area where regular public transportation had been disrupted in order that the community's normal pattern of life could be resumed as soon as possible.

House Amendment

No comparable provision.

Conference Substitute

Same as the Senate provision, restricted, however, to authority to provide temporary public transportation service.

Debris removal

Senate Bill

The President would be authorized to make grants to State and local governments for removal of debris from private lands or waters whenever he determined it to be in the public interest; except that these benefits would not be available unless State or local governments arranged unconditional authorization for the removal of debris and agreed to indemnify the Federal Government for any claims resulting from this debris removal. Payments could also be made to remove debris from community areas which included an individual's private property.

House Amendment

Authorizes the use of Federal agencies to clear debris from publicly and privately owned lands and waters, when determined to be in the public interest. Authorization is also provided for grants to any State for similar debris clearance. A requirement is imposed that State and local governments must arrange to provide unconditional authorizations for the removal of such debris and that the Federal Government be indemnified against claims arising from such removal.

Conference Substitute

Same as the provisions of the House amendment.

Fire suppression grants

Senate Bill

The President would be authorized to make grants to any State in order to assist in the suppression of fires on publicly or privately owned forest and grass lands which threatened such destruction as would constitute a major disaster.

House Amendment

No comparable provision.

Conference Substitute

Same as the Senate provisions.

Temporary housing assistance

Senate Bill

The Director would be authorized to provide necessary shelter for owners or tenants whose places of residence had been made uninhabitable by a major disaster. Dwelling accommodations necessary for this purpose, including mobile homes, could be purchased or leased, and in turn could be rented or sold outright to the disaster victims to provide them with suitable housing. The housing would be placed by the State or local government or by the owner or occupant on sites complete with utilities without charge to the United States. The Director could decide in the public interest to provide more economical and accessible sites at Federal expense.

After an initial 90 days of occupancy rentals could be established. These rentals could be compromised, adjusted or waived for a period of not to exceed one year from date of occupancy according to the financial ability of the occupants, but in no case could the family's monthly housing expense be required to be more than one-fourth the family's monthly income.

The Director would be further authorized to provide grants as temporary assistance in the form of mortgage or rental payments to individuals who had suffered severe financial hardship caused by a major disaster and who had received written notice of dispossession or eviction from their residence because of foreclosure of a mortgage or lien, cancellation of a contract of sale, or termination of an oral or written lease. This assistance could be furnished for not in excess of one year or until the individual's financial hardship ended, whichever was the lesser. In addition the Director would provide reemployment assistance services to individuals who were unemployed as a result of a major disaster.

House Amendment

Revises section 3(d) of Public Law 81-875 to provide that no rental shall be charged for the first 12 months for temporary housing and after the rentals to be charged based on fair market value adjusted to take into consideration the financial ability of the occupant to pay.

Provides that, notwithstanding any other provision of law, such temporary housing including, but not limited to mobile homes or other readily fabricated buildings which were purchased under proper disaster authorities for disaster victims requiring accommodations may be sold directly to disaster victims who are occupants at fair and equitable prices.

This section would authorize the President to provide financial assistance in the form of mortgage or rental payments to individuals or families who had suffered financial hardship caused by a major disaster, and who had received written notice of dispossession or eviction from their residence. The assistance could be furnished for not in excess of one year, or for the duration of the financial hardship, whichever is the lesser.

Conference Substitute

This provision would authorize the Director to provide temporary housing or other emergency shelter, including mobile homes, for those who as a result of a major disaster require temporary housing or other emergency shelter. For the first 12 months of occupancy, no rental shall be established. Thereafter, rentals will be based on fair market value of the accommodations being furnished, adjusted to take into consideration financial ability of the occupant. Emergency housing which is acquired by purchase may be sold directly to the occupants at prices that are fair and equitable. Any mobile home or readily fabricated dwelling is to be placed on a site complete with utili-

ties provided by State or local government or by the owner or occupant of the site without charge to the United States. The Director may elect to provide other more economical and accessible sites at Federal expense if he determines it to be in the public interest. Further, the President is authorized to provide assistance on a temporary basis in the form of mortgage or rental payments in the same manner as is provided in the House amendment. The President is authorized for the purposes of this provision and in furtherance of the purposes of section 240 of this Act to provide reemployment assistance services under other laws to individuals who are unemployed as a result of a major disaster.

Small business disaster loans

Senate Bill

This section would amend Section 7(b)(1) of the Small Business Act to provide that in the case of property loss or damage as the result of either a major disaster declared by the President or a disaster as determined by the Administrator of the Small Business Administration, the S.B.A. could make loans for the repair, rehabilitation or replacement of such property without regard to whether the necessary financial assistance is otherwise available from private sources.

S.B.A. could refinance any mortgage or other lien outstanding against a home or business which had been totally destroyed or substantially damaged by such a disaster if the refinancing was for the purpose of repairing, rehabilitating or replacing the damaged or destroyed property. This refinancing could be provided even if financial assistance was otherwise available.

The section would further provide that the principal of any disaster loan in excess of \$500 could be cancelled in an amount not in excess of \$2500. Payments of interest or principal could be wholly or partially deferred during the first three years of the term regardless of the ability of the borrower to make payments.

Section 231(b) would amend Section 7 of the Small Business Act to authorize the S.B.A. to make a loan to a small business concern located in an area affected by a disaster, if the S.B.A. determined that the concern had suffered a substantial economic injury as a result of such a disaster.

House Amendment

Amends section 6 of the Disaster Relief Act of 1969, concerning the disaster loan authorities of the Small Business Administration by:

(1) Including as eligible for SBA disaster loans, such injury, loss, or damage which may result from a disaster when determined by (a) the Secretary of Agriculture; (b) the Administrator of the Small Business Administration; and (c) the President.

(2) Providing for standardizing the interest rates on loans. [even though assistance may be available from private sources.] The maximum allowable interest rate would be 6 percent.

(3) Providing that loans shall not be denied on the basis of the age of the applicant.

(4) Providing that such loans may not exceed the current repair or replacement cost of the disaster loss.

(5) Providing that in cases of hardship resulting from Presidential determined disaster, the borrower may cancel the principal of any loan in excess of \$500, up to \$2,500.

(6) Provide for refinancing of mortgages and loans.

(7) Provide for loans without regard to whether private sources are available for such loans.

Conference Substitute

In the administration of the disaster loan program under section 7(b) (1), (2), and (4)

of the Small Business Act in the case of property loss or damage or injury resulting from a major disaster as determined by the President or a disaster determined by the Small Business Administrator, such Administrator—

(1) to the extent the loss, damage, or injury is not compensated for by insurance or otherwise (A) shall on that part of the loan in excess of \$500 cancel the principal, except that the total amount so canceled is not to be more than \$2,500. This clause, however, is to apply only to loans made to cover losses, damages, and injuries resulting from major disasters determined by the President, and (B) may defer interest or principal payments or both in whole or in part during the first three years of the term of the loan, these deferred payments, however, are to bear interest at the rate determined under section 234 of the Act;

(2) to the extent it is not compensated for by insurance or otherwise, may grant any loan to repair, rehabilitate, or replace property damaged or destroyed, whether or not financial assistance is otherwise available from private sources;

(3) may, in the case of total destruction or substantial damage of a home or business concern, refinance mortgages or other liens outstanding against that property if it is to be repaired, rehabilitated, or replaced with the limitation that the amount refinanced is not to exceed the amount of the physical loss sustained and that this refinancing is to be subject to the provisions of clauses (1) and (2) of this section.

Farmers Home Administration agency loans

Senate Bill

In the case of loss or damage to property, including household furnishings, resulting from a major disaster, the Secretary of Agriculture would be authorized by this section to make loans for the repair, rehabilitation or replacement of such property, and in the case of the total destruction of or substantial damage to a home or business concern resulting from a major disaster, to refinance any mortgage or other lien against such property for the purpose of repairing, rehabilitating or replacing the destroyed or damaged property.

To the extent such loss or damage was not compensated for by insurance or otherwise, the Secretary could, on the part of any loan of refinanced mortgage or lien in excess of \$500, cancel not to exceed \$2,500, and also could defer interest or principal payments, or both, during the first 3 years of the loan whether or not the borrower had the ability to make such payments.

House Amendment

Provides the same amendments for Farmers Home Administration as for the Small Business Administration.

Conference Substitute

This would provide the same benefits in the case of the Farmers Home Administration emergency loans as are provided in the conference substitute in the case of Small Business Administration loans.

Loans held by the Veterans' Administration

Senate Bill

This section would amend section 1820(a) (2) of title 38, United States Code, to authorize the Administrator of the Veterans' Administration to agree to the modification of the terms of any loan made or acquired by him on any residential property securing such loan which was lost, destroyed or damaged as the result of a major disaster. The section also would direct the Administrator in major disaster areas to provide the owner of such property with counseling and other services, to inform him of disaster assistance available from other Federal, state or local agencies and

to extend such forbearance on an individual case basis as he determined to be warranted by the facts of the case.

House Amendment

No comparable provision.

Conference Substitute

Same as the Senate bill.

Disaster loan interest rates

Senate Bill

Any disaster loan made by a Federal agency under Sections 231, 232, 236(b), 237 or 241 of this Act would be at an interest rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on 10-12 year U.S. obligations less not to exceed 2% per year. Section 234(b) would make this same rate applicable to all disaster loans under Section 7(b) of the Small Business Act.

House Amendment

The House provision relating to the disaster loan program under the Small Business Act and the emergency loan program under the Consolidated Farmers Home Act of 1961 each contains a provision that a loan made under those sections is not to exceed the current cost of repairing and replacing the disaster injury, loss, or damage in conformity with current codes and specifications. Any such loan is to bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity of 10 to 12 years, reduced by not to exceed 1 per centum per annum but in no event is any such loan to bear interest at a rate in excess of 6 percent per annum.

Conference Substitute

The provisions of the conference substitute are the same as those of the House amendment but made applicable to sections 231, 232, 236(b), and 237 of the Act and with the reduction in the interest rate not to exceed 2 percent per annum as contained in the Senate bill rather than 1 percent as contained in the House amendment, retaining, however, the ceiling of a 6 percent interest rate on such loans.

Age of applicant for loans

Senate Bill

All applicants for Federally administered disaster loans must be considered without discrimination because of age.

House Amendment

Provided in the case of S.B.A. and the Farmers Home Administration loans that they are not to be denied on the basis of the applicants age.

Conference Substitute

Same as the Senate provision.

Federal loan adjustments

Senate Bill

The Secretary of Agriculture would be authorized to extend maturity dates of REA loans to a period not beyond forty years and to readjust payment schedules of borrowers from the Rural Electrification Administration, if the borrowers were unable to make payments because of disaster damage. The Secretary of HUD would be authorized to refinance any note or other obligation which could not be paid because of disaster damage. The interest rate could be reduced to a rate specified pursuant to section 234. The maturity date could be extended to a period not exceeding 40 years. The Secretary could suspend payment of interest and principal and extend maturity of loans which might cause financial hardship.

House Amendment

No comparable provision.

Conference Substitute

Same as the provisions of the Senate bill.

Aid to major sources of employment

Senate Bill

The S.B.A. or the Farmers Home Administration would be authorized to make loans to industries and businesses which were a major source of employment in a disaster-stricken area and which were no longer in substantial operation. Loans authorized by this section would be made without regard to limitations on the size of loans which might otherwise be imposed by law, regulation or other means. Loans could be at interest rates prescribed in section 234 but, the Administrator would be authorized to defer payments of principal and interest for up to three years.

House Amendment

No comparable provision.

Conference Substitute

Same as the provisions of the Senate bill, amended to make it clear that deferred payments are to bear interest at the rate determined under section 234 of the Act.

Food coupons and distribution

Senate Bill

The President would be authorized to distribute food stamps and surplus commodities to low-income households which were not able to purchase adequate amounts of nutritious food because of a major disaster. Such distribution of food stamps and commodities would be carried out pursuant to legislation now governing the handling of these matters. The President would be authorized to make coupon allotments and surplus commodities available to such households for as long as he determined necessary. He could take into account such factors as the effect of the disaster on the earning power of the recipient households.

House Amendment

No comparable provision.

Conference Substitute

Same as the provisions of the Senate bill.

Legal services

Senate Bill

The Director would be authorized to provide needed legal services to low-income individuals, with advice and assistance of appropriate Federal agencies and State and local bar associations.

House Amendment

No comparable provision.

Conference Substitute

Provides that whenever the Director determines that low-income individuals are unable to secure legal services adequate to meet their needs as a consequence of a major disaster, consistent with the goals of the programs authorized by this Act, the Director shall assure that such programs are conducted with the advice and assistance of appropriate Federal agencies and State and local bar associations. The conferees intend the authority granted by this section to be confined to the securing of benefits under this Act and claims arising out of a major disaster.

Unemployment assistance

Senate Bill

The President would be authorized to provide assistance to those individuals unemployed as a result of a major disaster who were not receiving unemployment compensation or private income protection insurance. Any assistance provided under this section could not exceed the number of payments such an individual would have received if he had been qualified for State unemployment compensation payments.

House Amendment

Makes permanent law the comparable provision of the Disaster Relief Act of 1969 on this subject.

Conference Substitute

Same as the provisions of the Senate bill.
Assistance to communities for loss of tax revenue

Senate Bill

\$100,000,000 would be authorized for a Community Disaster Loan Fund to be established in the Treasury. This Fund would provide loans to local governments for use for three purposes: 1) meeting interest and principal payments and outstanding bonded indebtedness, 2) paying the local share of Federal grant-in-aid programs necessary for restoration of the disaster area, and 3) providing and maintaining essential public services, such as fire and police protection. To qualify for this kind of loan, a local government would have to have suffered a loss of more than 25% of its tax base or such a substantial amount that it could not otherwise meet payments on its obligations, its matching shares or its essential public services. For the first two years these loans would be interest free. The term of such loan may be of such duration as necessary but not to exceed 20 years.

Loans would be made at interest rates specified in Sec. 234. The President would be authorized to defer initial payments on such loans for five years or half the term of the loan, whichever is less.

Loans for any year could not exceed the difference between the average annual tax received by the local government for the three years preceding the disaster and the accrued property tax revenue for each of the three years following the disaster.

Reduction of tax rates and tax assessment valuation factors in effect at the time of the disaster would be prohibited during the three-year period after the disaster. Such sums as the President might determine necessary could be transferred to the Fund from disaster relief appropriations. Interest and principal payments on loans, as well as any other moneys, property or assets derived from operations of this section would be deposited in the Fund.

This Fund would furnish moneys for all loans, expenses and payments for operations under this section. At least once each fiscal year any interest on the average amount of appropriations accumulated as capital in the Fund, less the average undisbursed cash balance in the fund during year, would be paid into the Treasury as miscellaneous receipts. The rate of such interest could not exceed that charged for loans from the Fund. The Secretary of the Treasury could defer interest payments but interest would be charged on such deferred payments. Should the President at any time determine that the moneys in the Disaster Loan Fund exceeded present or any reasonable prospective requirements, he could transfer the excess to the general fund of the Treasury or to his disaster relief appropriations.

House Amendment

This section would authorize the President to make grants to any local government, which, as a result of a major disaster has suffered a substantial loss of property tax revenue (both real and personal). The limitations placed upon these grants are: (1) They may only be made for the tax year in which disaster occurred and for each of the following two tax years. (2) The grant shall not exceed the difference between the annual average of all property tax revenues received during the three tax year period immediately preceding the tax year in which the major disaster occurred and the actual property tax revenue received for the tax year in which the disaster occurred and for each of the two succeeding tax years. (3) There must be no reduction in tax rates and tax assessment evaluation factors of the local government. If, however, there has been such a reduction, a grant may still be made for the year or years

when such reduction is in effect, but, the President shall use the tax rates and tax assessment factors in effect at the time of the disaster without reduction in order to determine revenues which would have been received. These revenues will then be used in calculating the difference as the basis of determining the grant instead of the actual revenues.

Conference Substitute

Same as the provisions of the House amendment.

Timber sale contracts**Senate Bill**

The Secretary of the Interior and the Secretary of Agriculture would be authorized by subsection (a) to reimburse timber sale contractors or to arrange for road and trail construction and restoration costs incurred in restoring roads, previously authorized by contracts for the purchase of timber, which had been damaged by major disasters. If the estimated cost of such additional construction would exceed (1) \$1,000 for sales under one million board feet, or (2) \$1 per thousand board feet for sales of one to three million board feet, or (3) \$3,000 for sales over three million feet, the increased cost would be borne by the United States.

If the Secretary determined that damages were so great that restoration, reconstruction or construction would not be practical under the above-cited sharing arrangement, subsection (b) would authorize him to cancel the contract.

Whenever the Secretary of Agriculture determined that the sale of timber from national forest would assist in construction of a damaged area, or would assist in sustaining the area's economy, or was necessary to salvage the value of the damaged timber, subsection (c) would authorize him to reduce to 7 days the required minimum period of advance notice of sale.

Subsection (d) would authorize the Director to make grants to States or political subdivisions to remove damaged timber from privately owned lands, and such States or political subdivisions in turn would be authorized to reimburse the actual expenses of persons who remove damaged timber but not in excess of the salvage value of the timber.

House Amendment

Would continue in effect as permanent law comparable provisions in the Disaster Relief Act of 1969.

Conference Substitute

Same as the Senate provision.

Public land entryman**Senate Bill**

The Secretary of the Interior would be authorized to give any public land entryman additional time to comply with requirements of law in connection with a public land entry in any State affected by a major disaster if the Secretary found that because of a major disaster the entryman was unable to comply with such requirement.

House Amendment

Would repeal, effective December 31, 1970, the comparable provision in the Disaster Relief Act of 1969.

Conference Substitute

Contains no provision on this subject matter.

Minimum standards for structure restoration**Senate Bill**

Subsection (a) would require that minimum standards of safety, decency and sanitation, as prescribed in regulations by the Secretary of Housing and Urban Development, and current building codes and specifications, be applied to the building, repair or rehabilitation of any residential structure in a major disaster area carried out with the aid of loans or grants from Federal

agencies or relief organizations. The Secretary would further be authorized to consult with other officials in Federal, State or local governments to carry out the purpose of the section and to have the necessary flexibility to be consistent with requirements of other applicable building regulations, codes and programs.

House Amendment

No comparable provision.

Conference Substitute

Provides that no loan or grant made by a relief organization operating under the supervision of the Director of OEP for repairing, restoring, reconstructing, or replacing a residential structure in a major disaster area is to be made unless the structure will be so repaired, restored, reconstructed, or replaced in accordance with the applicable standards of decency and sanitation and in conformity with applicable building codes and specifications.

Federal facilities**Senate Bill**

Upon the President's determination that repair, reconstruction, restoration or replacement of facilities owned by the United States was so important and urgent that it could not reasonably be deferred pending enactment of specific authorizing legislation or the making of an appropriation, he could authorize any Federal agency to repair, reconstruct, restore or replace any facilities damaged or destroyed in a major disaster that were under its jurisdiction. This work could begin notwithstanding a lack or insufficiency of funds where such lack or insufficiency could be remedied by the transfer, in accordance with law, of funds appropriated for another purpose.

House Amendment

No comparable provision.

Conference Substitute

Same as the provisions of the Senate bill.

State and local government facilities**Senate Bill**

The President would be authorized to make contributions to States or local communities for repairing, restoring, reconstructing or replacing damaged portions of public facilities belonging to State or local governments, including flood control, navigation, irrigation, reclamation, public power, sewage treatment and collection, water supply and distribution, watershed development, airport, non-Federal-aid street, road or highway, and any other essential facility damaged by a major disaster. Such Federal contribution could not exceed 50% of the net cost of restoring such facility to its predisaster capacity and in conformity with applicable codes and specifications.

The President could also make contributions to States or local governments in amounts not in excess of 50% of the net cost of restoring such public facilities, which were in the process of construction when damaged or destroyed, to substantially their condition prior to the disaster and of completing construction not performed before the disaster to the extent that the increase in cost over the original construction cost was attributable to changed conditions caused by the disaster.

House Amendment

Revises section 3(d) of PL 81-875 to provide that Federal contributions for permanent repair or replacement of public facilities of State and local governments shall not exceed the net cost of restoring such facilities, using the basis of design of the facilities as they existed immediately prior to the disaster, but in conformity with current codes and specifications.

Conference Substitute

Same as the provision of the Senate bill, except that the Federal share is increased from 50 to 100 percent of the net cost of restoring the facility on the basis of the design of the facility as it existed immediately

prior to the disaster and in conformity with applicable codes and specifications, and the definition of the term "public facility" contained in the Senate provision is revised to eliminate the concept of "essential public facility" and to replace it with the more specific language of "public building, structure, or system, other than one used exclusively for recreation purposes".

Priority to certain applications for public facility and public housing assistance

Senate Bill

The President by proclamation would prescribe a period not to exceed six months during which processing of applications for assistance would be given priority and immediate assistance under the following Acts: Title II of the Housing Amendments of 1955, or any other act providing assistance for repair, construction or extension of public facilities; the United States Housing Act of 1937 providing low-rent housing; Section 702 of the Housing Act of 1954 providing assistance in public works planning; Section 702 of the Housing and Urban Development Act of 1965 providing grants for public facilities; or Section 306 of the Consolidated Farmers Home Administration Act.

House Amendment

No comparable provision.

Conference Substitute

Same as the Senate bill.

Relocation assistance

Senate Bill

This section would provide that no person otherwise eligible for relocation assistance payments under the Housing Act of 1949 would be denied eligibility as a result of a Presidential declared major disaster.

House Amendment

The House had a similar provision.

Conference Substitute

Provides that, notwithstanding any other provision of law, no person otherwise eligible for any kind of relocation assistance payment authorized under section 114 of the Housing Act of 1949 shall be denied such eligibility as a result of his being unable, because of a major disaster as determined by the President, to reoccupy property from which he was displaced by such disaster.

Technical amendments

Senate Bill

Makes various technical amendments in existing laws required by the adoption of the Disaster Relief Act of 1970.

House Amendment

No comparable provision.

Conference Substitute

Same as the Senate bill except for technical amendments.

Repeal of existing law

Senate Bill

Repeals, three existing disaster laws: the basic 1950 Act (64 Stat. 1109), the Disaster Relief Act of 1966 (80 Stat. 1316) except for Section 7 (Higher Education Facilities Assistance in Disaster Areas) and the Disaster Relief Act of 1969.

House Amendment

No comparable provision.

Conference Substitute

Same as the Senate bill.

Authorization of appropriations

Senate Bill

Except as provided in sections 206 and 241, such sums as may be necessary would be authorized to be appropriated as would be necessary to carry out the provisions of this Act.

House Amendment

No comparable provision.

Conference Substitute

Does not contain this kind of authorization since the Act itself authorizes whatever sums are needed to carry it out. Pro-

vides instead that funds allocated before the date of enactment of this Act under a Federal-State Disaster Agreement for the relief of a major disaster as defined in the Act of September 30, 1950 (Public Law 875, Eighty-first Congress), and not expended on the date of enactment of this Act may be used by the State to make payments to any person for reimbursement of expenses actually incurred by such person in the removal of debris from community areas, but not to exceed the amount that such expenses exceed the salvage value of such debris, or in otherwise carrying out the purposes of such Act of September 30, 1950, or this Act.

The inclusion of this provision is for emphasis only. It is not in any way to be construed as indicating that funds heretofore authorized for expenditure or that agreements, contracts, claims, or other obligations of any kind presently in being are in any way to be affected by the enactment of this Act.

Effective date

Senate Bill

The Act would take effect immediately upon enactment, except that sections 226 (c), 237, 241, 252(a), and 254 would take effect as of August 1, 1969.

House Amendment

Provides that the benefits of this act, and the amendments made by this act, shall apply to those Presidential declared major disasters, and those disasters and natural disasters as determined by the Secretary of Agriculture and the Administrator of the Small Business Administration which occurred on or after December 1, 1968. In the case of any such disaster which occurs on or after December 1, 1968, and before the date of enactment of this act, the eligible applicant for assistance shall elect to receive such assistance either under this act (including the amendments made by this act) or under the law applicable to such disasters which occurred prior to December 1, 1968.

Conference Substitute

Same as the provisions of Senate bill.

ROBERT E. JONES,
JIM WRIGHT,
HAROLD T. JOHNSON,
DON H. CLAUSEN,
FRED SCHWENGEL,

Managers on the Part of the House.

CONFERENCE REPORT ON H.R. 18515
DEPARTMENTS OF LABOR, AND
HEALTH, EDUCATION, AND WEL-
FARE APPROPRIATIONS, 1971

Mr. FLOOD. Mr. Speaker, I call up the conference report on the bill (H.R. 18515) making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1971, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the statement.

Mr. FLOOD (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the statement be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER. The gentleman from Pennsylvania is recognized for 1 hour.

Mr. FLOOD. Mr. Speaker, I am happy to report that the conference report we bring to the House has the unanimous support of the House managers. All signed the report and all signed without reservation. This is readily understandable—it is a good report. If adherence to the House position is a measure of merit, it is an excellent report. We were even accused of violating the rule of comity—whatever that is—in our resolute insistence on a much better than even break with the other body.

The House bill totaled \$18,824,663,000 to which the other body added \$414,851,000. In conference this increase was reduced by \$270,121,500, to an increase of \$144,729,500. However, the increase of \$144,729,500 includes two items that were not considered by the House because there were no budget requests at the time the House acted. These are the Corporation for Public Broadcasting for which \$23,000,000 is included in the conference report, and activities under the Federal Coal Mine Health and Safety Act for which \$5,140,000 is included. I feel certain we would have carried very close to these same amounts in the House bill if they had been considered at the time we acted. Thus, for comparability these amounts should be deducted from the \$144,729,500. This makes the conference agreement slightly less than \$116 million over the House bill, or an increase of substantially less than 1 percent. Also, you will note, Mr. Speaker, this shows that the Senate gave up over two-thirds of the net amount by which they increased the bill over the House.

Now with regard to the President's budget. You cannot talk about appropriations for anything around here without someone raising the question of how much can it be without running the risk of a Presidential veto. I am not as worried about Presidential vetoes as some people, but it is a matter to be considered, of course. The Senate bill was \$480,-137,000 over the President's budget—half a billion is a pretty substantial increase even in the Labor-HEW bill. The appropriations provided by the conference report total \$18,969,352,500 or only \$210,015,500 over the President's budget, an increase of just over 1 percent. This the President may not relish, but I do not think he will find it too distasteful, especially since most of the increase is in the health area and, according to what he said in his last press conference, this is an area that he is going to emphasize.

Mr. Speaker, I do not think it is necessary for me to discuss the individual Senate amendments, of which there are 67. The conference report and the explanation of it in the statement of the managers were filed in the House last Friday and have been available to Members in printed form for a little for 3 days. In addition we have prepared a detailed table showing pertinent statistics concerning every appropriation item in the Departments of Labor and Health, Education, and Welfare appropriation bill. Mr. Speaker, I ask unanimous consent to place that table in the RECORD at this point.

The SPEAKER. Without objection it is so ordered.

DEPARTMENTS OF LABOR, AND HEALTH, EDUCATION, AND WELFARE AND RELATED AGENCIES APPROPRIATION BILL 1971 (H.R. 18515) NEW BUDGET (OBLIGATIONAL) AUTHORITY

CONFERENCE SUMMARY

Agency and item	1971					Conference agreement compared with—			
	1970 enacted ¹	Budget estimate ²	House bill	Senate bill	Conference agreement	1970	Budget 1971	House	Senate
DEPARTMENT OF LABOR									
Manpower Administration									
Manpower development and training activities	\$705,765,000	\$747,494,000	\$744,494,000	\$1,546,694,000	\$1,504,794,000	+\$799,029,000	+\$757,300,000	+\$760,300,000	-\$41,900,000
Manpower Administration, salaries and expenses	36,081,800	43,667,000	42,165,000	42,165,000	42,165,000	+6,083,200	-1,502,000		
Trust fund transfer		(16,835,000)	(16,835,000)	(16,835,000)	(16,835,000)				
Bureau of Apprenticeship and Training, salaries and expenses	7,077,000	6,958,000	6,958,000	6,958,000	6,958,000	-119,000			
Unemployment compensation for Federal employees and ex-servicemen and trade adjustment activities	187,930,000	200,100,000	200,100,000	200,100,000	200,100,000	+12,170,000			
Bureau of Employment Security, salaries and expenses		(20,799,200)	(0)	(0)	(0)	(-20,799,200)			
Trust fund transfer									
Grants to States for unemployment compensation and employment service administration	(665,778,000)	(717,700,000)	(717,700,000)	(717,700,000)	(717,700,000)	(+51,928,000)			
Unemployment Insurance Service, salaries and expenses		(4,274,000)	(4,274,000)	(4,274,000)	(4,274,000)	(+4,274,000)			
Total, Manpower Administration	936,853,800	998,219,000	993,717,000	1,795,917,000	1,754,017,000	+87,163,200	+755,798,000	+760,300,000	-\$41,900,000
Labor-Management Relations									
Labor-Management Services Administration, salaries and expenses	13,140,000	17,169,000	16,500,000	16,700,000	16,600,000	+3,460,000	-569,000	+100,000	-100,000
Wage and Labor Standards									
Wage and Labor Standards Administration, salaries and expenses	14,146,600	45,925,000	45,000,000	45,531,000	45,212,500	+31,065,900	-712,500	+212,500	-318,500
Wage and Hour Division, salaries and expenses	28,218,000	(0)	(0)	(0)	(0)	-28,218,000			
Employees' compensation claims and expenses	60,116,000	109,800,000	109,800,000	109,800,000	109,800,000	+49,684,000			
Total, Wage and Labor Standards	102,480,600	155,725,000	154,800,000	155,331,000	155,012,500	+52,531,900	-712,500	+212,500	-318,500
Bureau of Labor Statistics									
Salaries and expenses	24,673,000	27,578,000	26,150,000	26,150,000	26,150,000	+1,477,000	-1,428,000		
Bureau of International Labor Affairs									
Salaries and expenses	1,527,000	1,490,000	1,490,000	1,490,000	1,490,000	-37,000			
Special foreign currency program		75,000	75,000	75,000	75,000	+75,000			
Total, Bureau of International Labor Affairs	1,527,000	1,565,000	1,565,000	1,565,000	1,565,000	+38,000			
Office of the Solicitor									
Salaries and expenses	6,596,000	5,884,000	5,884,000	5,884,000	5,884,000	-712,000			
Trust fund transfer		(157,000)	(157,000)	(157,000)	(157,000)	(-5,000)			
Office of the Secretary									
Salaries and expenses	6,149,000	10,402,000	9,752,000	9,812,000	9,812,000	+3,663,000	590,000	+60,000	
Trust fund transfer		(604,000)	(595,000)	(595,000)	(595,000)	(-9,000)			
Federal contract compliance and civil rights program, salaries and expenses	1,116,000	(0)	(0)	(0)	(0)	-1,116,000			
Trust fund transfer		(630,000)	(0)	(0)	(0)	(-630,000)			
Total, Office of the Secretary	7,265,000	10,402,000	9,752,000	9,812,000	9,812,000	+2,547,000	-590,000	+60,000	
Total, Department of Labor	1,092,535,400	1,216,542,000	1,208,368,000	2,011,359,000	1,969,040,500	+876,505,100	+752,498,500	+760,672,500	-\$42,318,500
DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE									
Food and Drug Administration									
Food and drug control	76,345,732	89,549,000	89,549,000	90,399,000	89,549,000	+13,203,268			-850,000
Environmental Health Service									
Air pollution control	{ 103,457,575 }	106,003,000	106,003,000	110,503,000	107,753,000	+4,295,425	+1,750,000	+1,750,000	-2,750,000
Environmental control	{ (110,207,575) }	56,663,010	55,920,000	52,580,000	58,720,000	+2,056,990	+2,800,000	+6,140,000	-3,280,000
Office of the Administrator	6,697,069	4,775,000	4,244,000	4,244,000	4,244,000	-2,453,069	-531,000		
Total, Environmental Health Service	{ 166,817,654 }	{ 166,698,000 }	162,827,000	176,747,000	170,717,000	+3,899,346	+4,019,000	+7,890,000	-6,030,000
Health Services and Mental Health Administration									
Mental health	{ 354,220,662 }	346,656,000	368,516,000	390,516,000	379,516,000	+25,295,338	+32,860,000	+11,000,000	-11,000,000
Saint Elizabeths Hospital (indefinite)	{ (361,345,662) }	14,917,000	14,823,000	14,823,000	14,823,000	-94,000			
Health services research and development	{ 42,593,000 }	{ (42,772,000) }	57,403,000	57,403,000	57,403,000	+14,810,000			
Comprehensive health planning and services	{ 206,810,000 }	{ (218,049,000) }	247,178,000	250,000,000	247,178,000	+40,368,000			-2,822,000
Trust fund transfer		(4,320,000)	(4,320,000)	(4,320,000)	(4,320,000)				
Maternal and child health		255,339,000	255,339,000	255,659,000	255,659,000	+255,659,000	+320,000	+320,000	
Regional medical programs	{ 96,605,000 }	{ (99,248,000) }	96,502,000	115,000,000	106,502,000	+9,897,000	+10,000,000	+10,000,000	-8,498,000

Footnotes at end of table.

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Dec. 17, 1970

-3-

HOUSE

10. FLOOR ACTION.

Agreed to a motion to send S. 1181, providing for potato and tomato promotion programs, to conference. Disagreed to Senate amendments to House amendments and requested conference. Conferees were appointed. pp. H11888-9

Agreed to conference report on S. 3619, disaster relief bill. pp. H11905-7

Disagreed to Senate amendment to H.R. 19885, the D.C. Revenue bill, and appointed conferees. p. H11889

11. FOOD STAMPS.

Representatives Melcher and Gonzalez spoke in opposition to the food stamp amendments as they were passed by the House. pp. H11927, H10237

Rep. Conable stated "the existence of the food stamp program works against achievement of welfare reform" and expressed a preference for the concept of cash welfare. p. H11934

BILL INTRODUCED

12. GARNISHMENT.

H.R. 19972, by Rep. Rarick, to provide for the garnishment of the wages of Federal employees; to the Committee on the Judiciary.

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COMMITTEE HEARINGS ANNOUNCEMENTS DECEMBER 18:

National Environmental Policy Act, H. Merchant Marine

Joint Committee on Environment, conferees (exec.)

Supplemental appropriations, conferees (exec.)

DC Revenue Act, conferees (exec.)

-00o-



Scott Symington Watts
 Shipley Talcott Whalen
 Shriver Taylor Whalley
 Sikes Teague, Calif. White
 Disk Teague, Tex. Whitehurst
 Slack Thompson, Ga. Widnall
 Smith, Iowa Thompson, N.J. Williams
 Smith, N.Y. Thomson, Wis. Wilson, Bob
 Stafford Tiernan Wright
 Staggers Udall Wyatt
 Stanton Van Deerlin Wyman
 Steed Vanik Yates
 Steele Vigorito Yatron
 Stokes Waggoner Young
 Stratton Waldie Zablocki
 Stubblefield Wampler Zwach
 Stuckey Ware
 Sullivan Watson

NAYS—89

Andrews, Ala. Fish Minshall
 Arends Ford, Gerald R. Mizell
 Ashbrook Foreman Myers
 Belcher Frey Passman
 Bell, Calif. Goldwater Pettis
 Berry Gross Price, Tex.
 Betts Grover Quie
 Bow Haley Raick
 Brown, Mich. Hall Reid, Ill.
 Brown, Ohio Hansen, Idaho Rhodes
 Byrnes, Wis. Harvey Robison
 Carter Hastings Rousselot
 Cederberg Hosmer Ruth
 Chamberlain Hutchinson Schadeberg
 Clancy Jonas Scherle
 Clawson, Del Hastings Schmitz
 Collins, Tex. King Sebelius
 Colmer Kuykendall Skubitz
 Conable Landgrebe Smith, Calif.
 Conte Latta Snyder
 Cramer Lloyd Springer
 Davis, Wis. McCloskey Steiger, Ariz.
 Dellenback McClure Steiger, Wis.
 Dennis MacGregor Taft
 Derwinski Mahon Vander Jagt
 Devine Marsh Wiggins
 Erlenborn Martin Wold
 Esch Mayne Wylie
 Feighan Michel Zion
 Findley Miller, Ohio

NOT VOTING—73

Abernethy Evans, Tenn. Morton
 Adair Fallon Moss
 Anderson, Ill. Farbstein Neisen
 Aspinwall Fuqua O'Konski
 Ayres Gallagher O'Neal, Ga.
 Blackburn Gilbert Powell
 Bolling Green, Oreg. Purcell
 Brock Heckler, Mass. Rees
 Brown, Calif. Horton Reifel
 Broyhill, Va. Hull Rivers
 Burke, Fla. Kee Rostenkowski
 Burton, Utah Kluczynski
 Bush Landrum Roudebush
 Button Langen Satterfield
 Camp Leggett Stephens
 Carey Long, La. Tunney
 Celler Lukens Ullman
 Collins, Ill. McCulloch Weicker
 Crane McKneally Whitten
 Daddario McMillan Wilson, Charles H.
 Daniels, N.J. May Winn
 Denney Meeds Wolff
 Dingell Meskill Wydler
 Dowdy Mize
 Edwards, La. Montgomery

So the conference report was agreed to.
 The Clerk announced the following pairs:

Mr. Daniels of New Jersey with Mr. Anderson of Illinois.
 Mr. Kluczynski with Mr. Camp.
 Mr. Celler with Mrs. Heckler of Massachusetts.
 Mr. Abernethy with Mr. Crane.
 Mr. Charles H. Wilson with Mr. Horton.
 Mr. Hull with Mr. Adair.
 Mr. O'Neal of Georgia with Mr. Langen.
 Mr. Dingell with Mr. Denney.
 Mr. Fuqua with Mr. Ayres.
 Mr. Gallagher with Mr. Lukens.
 Mr. Rivers with Mr. Bush.
 Mr. Rostenkowski with Mr. McCulloch.
 Mr. Leggett with Mr. Blackburn.
 Mr. Wolff with Mr. McKneally.
 Mr. Whitten with Mrs. May.
 Mr. Kee with Mr. Brock.
 Mr. Carey with Mr. Morton.

Mr. Aspinwall with Mr. Reifel.
 Mr. Montgomery with Mr. Broyhill of Virginia.
 Mr. Rees with Mr. Collins of Illinois.
 Mr. Evins of Tennessee with Mr. Meskill.
 Mr. Long of Louisiana with Mr. Burke of Florida.
 Mr. Purcell with Mr. Mize.
 Mr. Moss with Mr. Button.
 Mr. Landrum with Mr. Nelsen.
 Mr. Ullman with Mr. O'Konski.
 Mr. Satterfield with Mr. Burton of Utah.
 Mrs. Green of Oregon with Mr. Roudebush.
 Mr. Stephens with Mr. Winn.
 Mr. Dowdy with Mr. Wydler.
 Mr. Daddario with Mr. Weicker.
 Mr. Edwards of Louisiana with Mr. McMillan.
 Mr. Brown of California with Mr. Powell.
 Mr. Gilbert with Mr. Fallon.
 Mr. Meeds with Mr. Farbstein.

Mr. CONTE changed his vote from "yea" to "nay."

Messrs. GUBSER, TALCOTT, COLLIER, and HAMMERSCHMIDT changed their votes from "nay" to "yea."

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. Arrington, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 704) entitled "An act to amend the act of October 15, 1966 (80 Stat. 953; 20 U.S.C. 65a), relating to the National Museum of the Smithsonian Institution."

MAKING IN ORDER CONSIDERATION OF CONFERENCE REPORT ON H.R. 19928, SUPPLEMENTAL APPROPRIATIONS, 1971

Mr. MAHON. Mr. Speaker, I ask unanimous consent that it may be in order for the House to consider the conference report on H.R. 19928, the supplemental appropriation bill, at any time after the conference report is filed.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

CONFERENCE REPORT ON S. 3619, DISASTER RELIEF ACT OF 1970

Mr. JONES of Alabama. Mr. Speaker, I call up the conference report on the bill (S. 3619) to revise and expand Federal programs for the relief of the effects of major disasters, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

Mr. GROSS. Mr. Speaker, reserving the right to object, the gentleman does intend to take some time to explain what

transpired at the conference; does he not?

Mr. JONES of Alabama. Yes. I will be glad to accommodate the gentleman from Iowa. The gentleman from California (Mr. Don H. CLAUSEN) and I will be available for answers to any questions.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of December 15, 1970.)

(Mr. JONES of Alabama asked and was given permission to revise and extend his remarks.)

Mr. JONES of Alabama. Mr. Speaker, S. 3619, which we now bring back from conference for approval of this House is one of the finest examples of complete cooperation between this body and the Senate. The Senate approach in dealing with the need for disaster relief assistance was to repeal all existing major substantive provisions dealing with this subject and to replace them with one basic law. The House of Representatives approach was simply to amend the basic laws and to add several new badly needed provisions. During the conference with the Senate it became obvious that we were to a great extent attempting to reach the same end result by differing means.

The conferees unanimously agreed to consolidate into one act the numerous provisions of the law which presently exist in the basic 1950 act, Public Law 875, 81st Congress; the 1966 Disaster Relief Act, Public Law 89-769; and the Disaster Relief Act of 1969, Public Law 91-79. This consolidation and broadening of the law takes into consideration the experience gained by the Congress and the Federal and State Governments from the numerous disasters which have occurred over the years. I am pleased to state that the House position, in the few occasions that it differed on substantive matters with that of the Senate, was generally concurred in by the other body.

The conference report generally retains the House position on making repairs to, restoring to service, or replacing public facilities of State and local governments damaged or destroyed by a major disaster with the stipulations that the Federal contribution will not exceed the net cost of restoring the facilities on the basis of the design of the facility as it existed immediately before the disaster and the restoration would be in conformity with current codes, specifications, and standards.

The House version of S. 3619 authorized the use of Federal agencies to clear debris from publicly and privately owned lands and waters, when determined to be in the public interest. Authorization was also provided for grants to any State for similar debris clearance. A requirement was imposed that State and local governments must arrange to provide unconditional authorizations for the removal of such debris and that the Federal Government be indemnified against claims

arising from such removal. The conference report includes this provision.

With respect to temporary housing assistance, the conference report includes a provision which would authorize the Director to provide temporary housing or other emergency shelter, including mobile homes, for those who as a result of a major disaster require temporary housing or other emergency shelter. For the first 12 months of occupancy, no rental shall be established. Thereafter, rentals will be based on fair market value of the accommodations being furnished, adjusted to take into consideration financial ability of the occupant. Emergency housing which is acquired by purchase may be sold directly to the occupants at prices that are fair and equitable. Any mobile home or readily fabricated dwelling is to be placed on a site complete with utilities provided by State or local government or by the owner or occupant of the site without charge to the United States. The Director may elect to provide other more economical and accessible sites at Federal expense if he determines it to be in the public interest. Further, the President is authorized to provide assistance on a temporary basis in the form of mortgage or rental payments in the same manner as is provided in the House amendment. The President is authorized for the purposes of this provision and in furtherance of the purposes of section 240 of this act to provide re-employment assistance services under other laws to individuals who are unemployed as a result of a major disaster.

The conference report provides that in the administration of the disaster loan program under section 7(b) (1), (2), and (4) of the Small Business Act in the case of property loss or damage or injury resulting from a major disaster as determined by the President or a disaster determined by the Small Business Administrator, such Administrator:

First, to the extent the loss, damage, or injury is not compensated for by insurance or otherwise shall on that part of the loan in excess of \$500 cancel the principal, except that the total amount so canceled is not to be more than \$2,500. This clause, however, is to apply only to loans made to cover losses, damages, and injuries resulting from major disasters determined by the President, and may defer interest or principal payments or both in whole or in part during the first 3 years of the term of the loan, these deferred payments, however, are to bear interest at the rate determined under section 234 of the act.

Second, to the extent it is not compensated for by insurance or otherwise, may grant any loan to repair, rehabilitate, or replace property damaged or destroyed, whether or not financial assistance is otherwise available from private sources;

Third, may, in the case of total destruction or substantial damage of a home or business concern, refinance mortgages or other liens outstanding against that property if it is to be repaired, rehabilitated, or replaced with the limitation that the amount refinanced is not to exceed the amount of the physical loss sustained and that this refinancing is to be subject to the pro-

visions of clauses (1) and (2) of this section.

Similar provisions in the case of the Farmers Home Administration emergency loans were provided in the conference report as were included in the case of Small Business Administration loans.

The conferees agreed essentially with the other House provisions relating to the disaster loan programs to the effect that a loan made under those provisions is not to exceed the current cost of repairing and replacing the disaster injury, loss, or damage in conformity with current codes and specifications. Any such loan is to bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity of 10 to 12 years reduced by not to exceed 2 percent per annum but in no event is any such loan to bear interest at a rate in excess of 6 percent per annum.

I might point out that the House version of S. 3619 included a 1-percent reduction and not the 2 percent agreed upon—but in light of the 6-percent maximum and the present interest rate, this difference is immaterial.

One other provision I would particularly note involves assistance to communities for tax losses. Here again the House position prevailed. This section would authorize the President to make grants to any local government, which, as a result of a major disaster has suffered a substantial loss of property tax revenue—both real and personal. The limitations placed upon these grants are: First, they may only be made for the tax year in which disaster occurred and for each of the following 2 tax years; second, the grant shall not exceed the difference between the annual average of all property tax revenues received during the 3-tax-year period immediately preceding the tax year in which the major disaster occurred and the actual property tax revenue received for the tax year in which the disaster occurred and for each of the 2 succeeding tax years; and, third, there must be no reduction in tax rates and tax assessment evaluation factors of the local government. If, however, there has been such a reduction, a grant may still be made for the year or years when such reduction is in effect, but, the President shall use the tax rates and tax assessment factors in effect at the time of the disaster without reduction in order to determine revenues which would have been received. These revenues will then be used in calculating the difference as the basis of determining the grant instead of the actual revenues.

I believe that this may well be one of the most meaningful new provisions in disaster relief assistance legislation.

Mr. Speaker, this is without question one of the finest conference reports I have had the privilege of bringing to this floor of the House. The conferees from both Houses came together to reconcile our differences so as to bring back to our colleagues meaningful legislation. This we have accomplished.

I would like to conclude my remarks

by thanking all the members of the conference on both sides of the aisle for their outstanding work on this important piece of legislation, this includes the gentleman from California (Mr. JOHNSON), the gentleman from Texas (Mr. WRIGHT), the ranking minority member of the Subcommittee on Flood Control, the gentleman from California (Mr. DON H. CLAUSEN), and the gentleman from Iowa (Mr. SCHWENGEL). I would also commend the staff of the House committee for their fine work in the preparation of the material that went into the report, and in particular Mr. Lester Edelman, the committee counsel for his diligence, devotion, and hard work on the entire bill through the House and conference report.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. JONES of Alabama. I yield to the gentleman from Iowa.

Mr. GROSS. I thank the gentleman.

What is the standard for determining "low-income individuals," who would qualify for free legal assistance? What is a low-income individual?

Mr. JONES of Alabama. Well, that has various meanings. Under the Farmers Home Administration they have their own criteria, the Small Business Administration has its criteria as well as other agencies of the Government. However, we bring into play all of the agencies connected with the Federal Government which may be able to give relief under their various acts. Therefore, this evaluation is made by the agency itself—and we do not seek to establish any certain amount for indigents or people who are not capable of taking care of their own needs.

Mr. GROSS. So, what constitutes a low-income individual could be subject to a number of interpretations?

Mr. JONES of Alabama. Yes.

Mr. GROSS. Depending upon the agency of the Government which would make the determination?

Mr. JONES of Alabama. The gentleman from Iowa is entirely correct.

Mr. DON H. CLAUSEN. Mr. Speaker, will the gentleman yield?

Mr. JONES of Alabama. I yield to the gentleman from California.

Mr. DON H. CLAUSEN. Mr. Speaker, in further response to the gentleman from Iowa (Mr. Gross), I will say to the gentleman that in this type of relief we are dealing with individuals in the private sector and as a result of established procedure their particular situation will be evaluated on an individual basis by the loaning agencies and in some cases, for instance, by the Red Cross, the Salvation Army, and other organizations, representatives of which will actually sit down with that person and find out what their situation was at the time of the disaster and then make a determination as to whether or not there is a need for assistance.

Mr. SPEAKER. The conference report before the House today on S. 3619, the Disaster Relief Act of 1970, reflects certain changes in approach that the conference committee adopted in the interest of simplifying the law. Simply put, the proposed legislation substitutes an entire new act for disaster relief legislation. Members of the House will recall

that the bill, as it passed the House, was essentially an amendment or rather a series of amendments of existing disaster relief acts. The other body chose to replace the acts that were in existence by one new act in which virtually the entire body of disaster relief law would be included.

Naturally, this approach required us to repeat those portions of existing law which we wish to preserve. Otherwise, such things would have been repealed that were not intended to be repealed. Thus, Members, in reading the conference report, will find much material that was not in the House bill but was in the existing law.

Once the decision was made to adopt the approach of a new statute, much of the language that appeared in the Senate bill was acceptable to the conference members. Those provisions, which the managers, on the part of the House, felt should be included as representative of the position of the House, were included. For example, section 203, concerning emergency and permanent repair or replacement of public facilities of State and local governments when those facilities were damaged as a result of a major disaster, contains the essential portions of the House position drafted into the language of a new act. Those provisions concerning predisaster assistance, which I personally consider so important, and which authorize the President to take effective action to divert or lessen the effects of a catastrophe which threatens to become a major disaster, have been retained. The provisions in the House bill pertaining to debris removal are in the conference substitute.

In the area of temporary housing assistance, the Director of the Office of Emergency Preparedness is authorized to provide temporary housing for 12 months without rental. Following that, rentals would be based on fair market value of accommodations being furnished, adjusting to take into consideration financial ability of the occupant. Emergency housing, acquired by purchase, may be sold directly to the occupant at prices that are fair and equitable. Provision is made for utilities provided by State or local governments. Assistance in the form of mortgage or rental payments is retained in the same manner as in the House bill.

In essence, this section combines the features of both the House and Senate bill and retains the basic intent of the House provision. The all-important loan provisions that appeared in the House version have been retained with minor variations in the case of loans resulting from major disasters.

This legislation, in my opinion, accomplishes all the purposes of the House passed bill with the additional advantage of making the law simpler to understand and easier to codify. I, therefore, recommend the acceptance by this House of the conference report to the Members of this body.

(Mr. DON H. CLAUSEN asked and was given permission to revise and extend his remarks.)

Mr. JONES of Alabama. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered. The conference report was agreed to. A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. JONES of Alabama. Mr. Speaker, I ask unanimous consent that all Members may extend their remarks on the conference report just adopted.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

PERMISSION TO FILE CONFERENCE REPORT ON H.R. 19504, FEDERAL AID HIGHWAY ACT, 1970

Mr. JONES of Alabama. Mr. Speaker, I ask unanimous consent that the managers of the part of the House may have until midnight tonight to file a conference report on the bill H.R. 19504, the Highway Act.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

PERMISSION TO FILE CONFERENCE REPORT ON H.R. 19877, RIVERS AND HARBORS AND FLOOD CONTROL ACT OF 1970

Mr. JONES of Alabama. Mr. Speaker, I ask unanimous consent that the managers of the part of the House may have until midnight tonight to file a conference report on the bill H.R. 19877, the Rivers and Harbors and Flood Control Act of 1970.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

CONFERENCE REPORT ON S. 704, AUTHORIZATION FOR APPROPRIATIONS FOR SMITHSONIAN INSTITUTION

Mr. THOMPSON of New Jersey. Mr. Speaker, I call up the conference report on the bill (S. 704) to amend the act of October 15, 1966 (80 Stat. 953; 20 U.S.C. 65a), relating to the National Museum of the Smithsonian Institution, so as to authorize additional appropriations to the Smithsonian Institution for carrying out the purposes of said act, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of December 16, 1970.)

Mr. THOMPSON of New Jersey (during the reading). Mr. Speaker, I ask unanimous consent that the further reading of the statement be dispensed with.

The SPEAKER. Is there objection to

the request of the gentleman from New Jersey?

There was no objection.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. THOMPSON of New Jersey. Mr. Speaker, I am delighted to yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, I thank my friend, the gentleman from New Jersey, for yielding.

When the authorizing legislation was before the House a few days ago the gentleman assured the House that there was no money in the bill for the Hirshhorn Museum that is scheduled to be erected on the Mall. Will the gentleman give the House assurance, as a result of the conference with the Senate, that there is no change in that situation?

Mr. THOMPSON of New Jersey. The gentleman from New Jersey thanks the gentleman from Iowa for his question, and assures the gentleman that nothing in this bill or in the conference report in any way affects or refers to construction or adds or contributes to the construction of the Hirshhorn Museum.

Mr. GROSS. If there was any assistance being given I would suggest that the money be devoted to neon signs in the most colorful hues that could be devised to adorn the name of Hirshhorn who apparently has had some serious difficulties with the Canadian Government, and perhaps elsewhere.

Mr. THOMPSON of New Jersey. The gentleman from New Jersey will keep that very much in mind, and might even be willing to contribute to the design or color of the prospective lights, which is a splendid idea.

Mr. GROSS. I thank the gentleman.

Mr. THOMPSON of New Jersey. Mr. Speaker, this is an excellent conference report, and I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

RESIGNATION FROM A COMMITTEE

The SPEAKER laid before the House the following resignation from a committee:

WASHINGTON, D.C.,
December 16, 1970.

Hon. JOHN W. McCORMACK,
The Capitol,
Washington, D.C.

DEAR MR. SPEAKER: I submit my resignation as a Member of the House Committee on Interior and Insular Affairs. It has been a valued experience to have served under your leadership and that of Chairman Aspinall on this great Committee during the period when so much has been done in the field of conservation, recreation and the improvement of our natural resources.

I am gratified that I have been privileged to serve as Chairman of the Subcommittee on Territorial Affairs over the past several years when we have witnessed the passage of a number of significant measures to extend self government in all the territorial areas under the flag or trusteeship of the United States.

I am greatly indebted to all the Members of this outstanding Committee for the exemplary spirit of cooperation and conciliation which has allowed the Committee to effec-

tively carry a major share of the legislative burden in every year of my service.

I submit this resignation in order to seek the vacancy that exists on the Committee on Ways and Means and I extend to you my deep appreciation for the many kindnesses which you have extended to me during the term of your great leadership as our Speaker.

Sincerely,

HUGH L. CAREY,
Member of Congress.

The SPEAKER. Without objection, the resignation will be accepted.

There was no objection.

RESIGNATION FROM A COMMITTEE

The SPEAKER laid before the House the following resignation from a committee:

The Clerk read as follows:

WASHINGTON, D.C.,
December 16, 1970.

Hon. JOHN W. McCORMACK,
The Capitol,
Washington, D.C.

DEAR MR. SPEAKER: I wish to submit my resignation as a Member of the House Committee on Education and Labor. It has been a great privilege to serve as a Member of this Committee, especially during a time when so much historical legislation has passed the House under your leadership in the field of aid to education for all children. These measures, together with the important gains we have made in the area of human resources, are a great testament to the able Chairmen under whom I have served as well as the outstanding leadership of all the individual Members of this Committee.

I submit this resignation in order to seek the vacancy which now exists on the Committee on Ways and Means.

I extend my sincere gratitude to you for the many past courtesies you have extended to me and I look forward to working with you in the years ahead for the improvement of our country and our party.

Sincerely,

HUGH L. CAREY,
Member of Congress.

The SPEAKER. Without objection, the resignation will be accepted.

There was no objection.

PROVIDING FOR CONSIDERATION OF H.R. 19446, EMERGENCY SCHOOL AID ACT OF 1970

Mr. ANDERSON of Tennessee. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 1307 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 1307

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 19446) to assist school districts to meet special problems incident to desegregation in elementary and secondary schools and to provide financial assistance to improve education in racially impacted areas, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Education and Labor, the bill shall be read for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Education and Labor

now printed in the bill as an original bill for the purpose of amendment under the five-minute rule. At the conclusion of such consideration, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

Mr. ANDERSON of Tennessee. Mr. Speaker, I yield 30 minutes to the distinguished gentleman from California (Mr. SMITH), pending which I yield myself such time as I may consume.

(Mr. ANDERSON of Tennessee asked and was given permission to revise and extend his remarks.)

Mr. ANDERSON of Tennessee. Mr. Speaker, House Resolution 1307 provides an open rule with 1 hour of general debate for consideration of H.R. 19446, the Emergency School Aid Act of 1970. The resolution further provides that it shall be in order to consider the committee substitute as an original bill for the purpose of amendment.

The major purposes of H.R. 19446 are to assist school districts which are required to desegregate and to assist school districts which are voluntarily integrating.

School districts which have been ordered to desegregate by court, HEW, or Justice; school districts which are voluntarily carrying out a complete plan of integration; and school districts which are carrying out plans to reduce de facto segregation or to prevent de facto segregation from occurring or increasing would be eligible.

Funds may be used for remedial service, additional professional staff and training, guidance and counseling, new instructional techniques and materials, innovative interracial educational programs, repair and minor remodeling of facilities, transportation of pupils, community activities, special administrative activities, planning and evaluation, and other specially designed programs or projects.

In considering an application, the Secretary of Health, Education, and Welfare must use six specific criteria, including the need for assistance and the degree to which the program is likely to result in a decrease in racial isolation. If an application is disapproved, the school district must be notified of the reason and must be given an opportunity to resubmit its application.

Applicants are required to submit proposals to the State educational agencies for comment and are required to give assurances that they have not unlawfully aided private segregated schools since the fall of 1969 and that they will not aid such schools in the future.

The Secretary is required to make annual reports and a National Advisory Council on the Education of Racially Isolated Children shall be created by the President.

The Secretary is allowed to use 1 percent of the funds for evaluation of programs.

The \$500 million would be authorized for fiscal year 1971 and \$1 billion for fiscal year 1972. Twenty percent of the appropriation is reserved to the Secretary for grants or contracts for special programs. The remaining 80 percent is prorated among the States on the basis of their number of minority children.

The legislation is designed to meet the special needs incident to the elimination of racial segregation and discrimination among students and faculty in elementary and secondary schools and to encourage the voluntary elimination, reduction, or prevention of racial isolation in schools with substantial proportions of minority group students.

Mr. Speaker, I urge the adoption of the rule in order that H.R. 19446 may be considered.

Mr. SMITH of California. Mr. Speaker, I yield myself such time as I may use.

(Mr. SMITH of California asked and was given permission to revise and extend his remarks.)

Mr. SMITH of California. Mr. Speaker, the purpose of the bill is to make additional Federal financial assistance available to school districts which are required to desegregate or those which are voluntarily integrating.

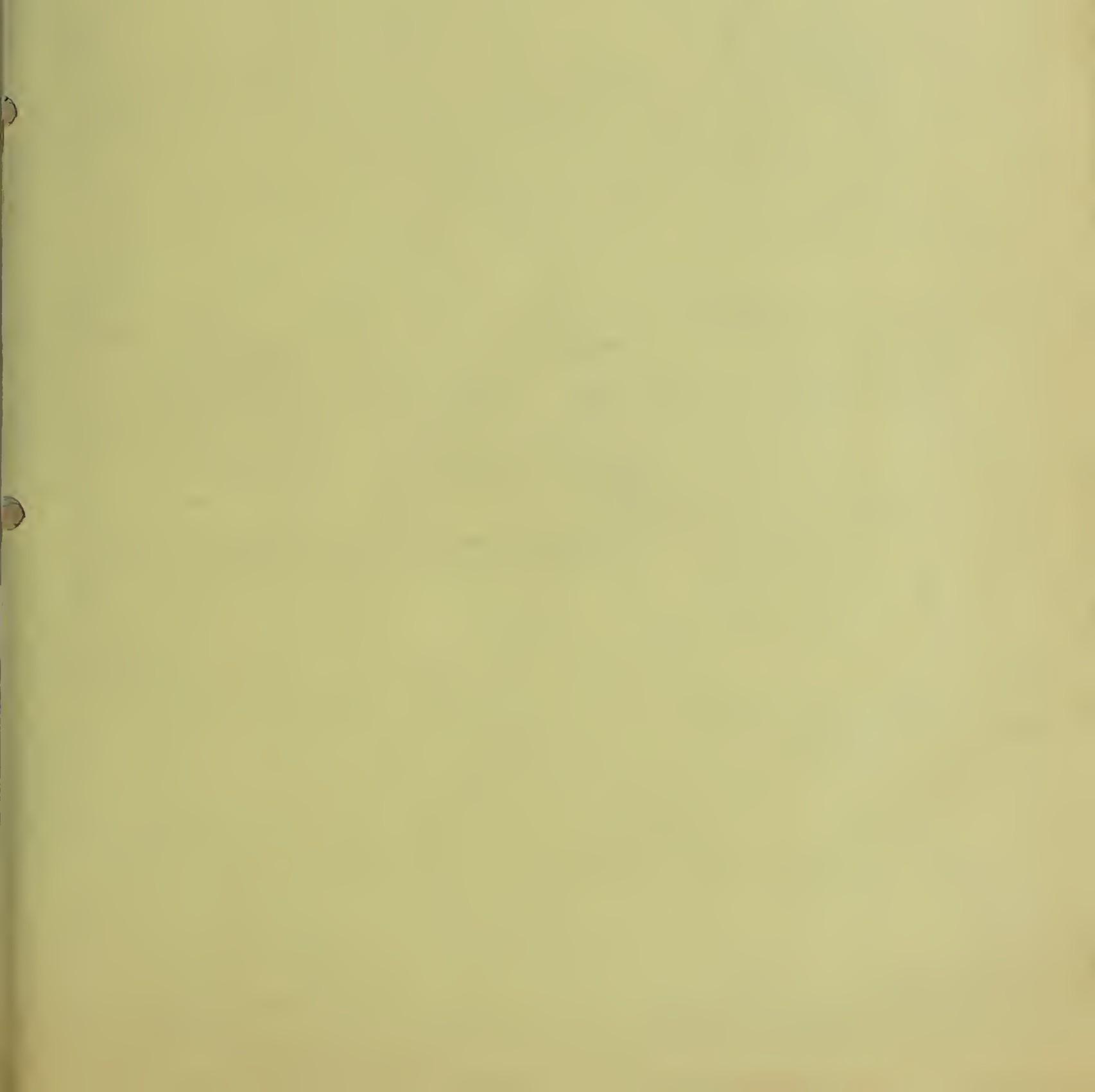
The bill authorizes \$500,000,000 for fiscal 1971 and \$1,000,000,000 for 1972. Twenty percent of the funds appropriated will be held by the Secretary of Health, Education, and Welfare for grants for special assistance to individual districts. The remainder will be apportioned among the several States on a formula based upon the number of minority children in a State's schools.

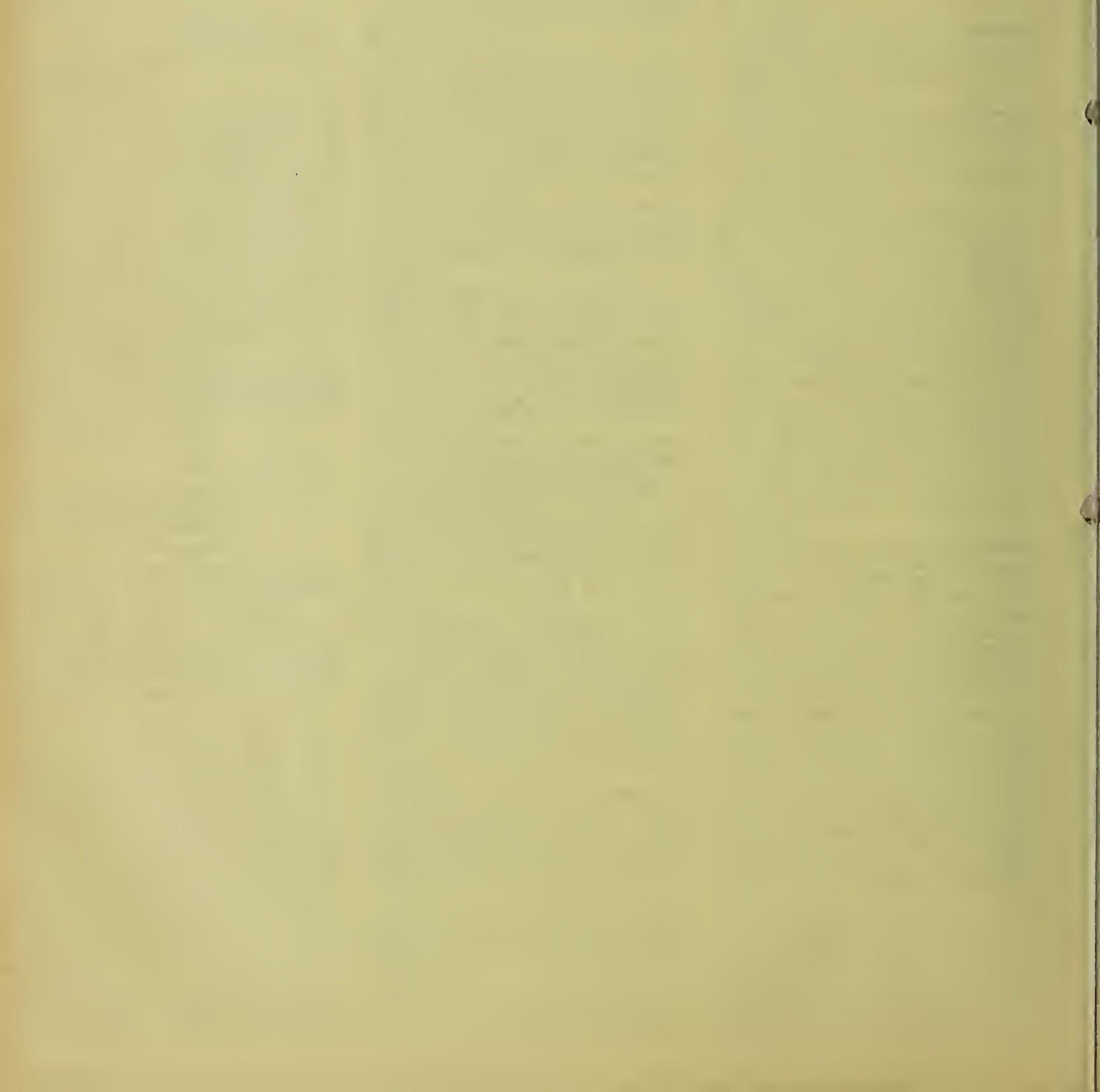
Three categories of school districts are eligible for assistance: First, those under order to desegregate by either the courts, HEW, or the Justice Department; second, school districts voluntarily integrating; and, third, school districts which are carrying out plans to reduce de facto segregation or to prevent de facto segregation from occurring or increasing.

Applicant school districts are required to submit to their State education agency their proposed plans for comments before forwarding them to the Secretary of Health, Education, and Welfare. They are also required to give assurances that they have not unlawfully aided private segregated schools since the fall of 1969 and that they will not give such illegal aid in the future.

Federal assistance under the bill will be available for such purposes as: First, additional professional staff, and training and retraining for all staff; second, guidance and counseling services; third, new instructional materials and techniques; fourth, innovative interracial educational programs; fifth, transportation of pupils; sixth, planning and evaluation of existing programs; and seventh, "other specially designed programs or projects."

Minority views are filed by four members. They oppose the bill because they believe that most if not all of what it proposes can be handled by existing statutory authority. They also oppose the bill because it puts Congress on record as formally supporting a massive, federally aided busing program which is





DIGEST of Congressional Proceedings

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(FOR INFORMATION ONLY;
NOT TO BE QUOTED OR CITED)

For actions of December 18, 1970
91st-2nd; No. 204

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HIGHLIGHTS: Senate passed bills providing duty-free entry for reimported articles failing to meet certain requirements, and providing taxable interest on insured loans.

- Senate agreed to conference report on disaster relief bill.
- Senate appointed conferees on milk, tomato, and potato promotion bill.
- House appointed conferees on food stamp bill.
- House agreed to amendments to relocation assistance bill.
- House agreed to conference report on highway construction bill.
- House passed bill continuing Coffee Agreement.
- Sen. Dole inserted President's address at Beltsville.
- Sen. Cannon criticized grazing fees increase.

SENATE

1. EXPORT - IMPORT BANK. Passed with committee amendment S. 4268 to facilitate greater expansion of U.S. export trade by excluding Export-Import Bank receipts and disbursements for the U.S. budget. pp. S20545-9
2. TOBACCO-QUOTAS. Passed without amendment S.J. Res. 249, to extend the time for proclamation of marketing quotas for burley tobacco for the three marketing years beginning October 1, 1971. p. S20545
3. TARIFFS. Passed without amendment H.R. 9183 to provide duty-free entry for imported articles which are exported and thereafter reimported to the U.S. for failure to meet certain specifications. This bill now goes to the President. p. S20571
4. TAXATION. Passed without amendment H.R. 15979 to provide that the interest on certain insured water and waste facility loans shall be included in the gross income of the insured holder for tax purposes. This bill now goes to the President.. pp. S20571-2
5. DISASTER RELIEF. Agreed to conference report on S. 3619, establishing a comprehensive Federal program for disaster relief and assistance. This bill now goes to the President. pp. S20581-5.
6. AIR QUALITY. Both Houses agreed to the conference report on H.R. 17255 providing the establishment of air quality standards. This bill now goes to the President.. pp. S20597-611, H2058-63
7. HOUSING AND URBAN DEVELOPMENT ACT OF 1970. Agreed to conference report on H.R. 19436 to provide for the establishment of a national urban growth policy. pp. S20654-8.
8. MILK, TOMATOES, AND POTATOES. Agreed to conference with the House to provide under S. 1181 authority for promotion programs for milk, tomatoes, and potatoes; conferees appointed. p. S20581.
9. MINING AND MINERALS. Agreed to House amendment and cleared for the President S. 719, to establish a national mining and minerals policy. pp. S20611-3.
10. SOCIAL SECURITY. Continued consideration of H.R. 17550, proposed social security amendments, trade act amendments and family assistance bill. pp. S20618-38; 20659-60.
11. BEET SUGAR. Senator Bennett referred to the 100th anniversary of the U.S. beet sugar industry on November 17. pp. S20693-4.



Mr. BIBLE. Mr. President, I am not going to interpose an objection. I believe the parliamentary situation accomplished by this is that it permits a Senator to speak more than twice today on this bill, because we do not actually come to grips with the conference report itself until such time as it is laid before the Senate. I think this accomplishes it.

Since the vote on the cloture motion is set for 11 a.m. tomorrow, and since we are only going to work on this particular part of our many problems between now and 3 p.m., I interpose no objection to the request of the Senator from Indiana.

This is a motion to postpone the consideration of the conference report until 10 a.m. tomorrow. Is that correct?

Mr. BAYH. That is correct. I might say to the Senator from Nevada that I would be perfectly happy to discuss this motion with him from now until 12 o'clock.

Mr. BIBLE. I do not think it will take us quite that long to discuss it. I would ask only one question, which I think can be answered quickly, and I think I know the response: Does this meet with the approval of the distinguished Senator from Wisconsin, who has asserted himself in this SST problem for some period of time?

Mr. BAYH. Yes.

Mr. BIBLE. I think he made the same motion, himself, the day before yesterday. If it meets with his approval, I have no objection. I am sure that the Senators from Washington have no objection to this procedure. The only thing that is accomplished by it is that it permits those who want to talk on the SST to talk more than twice in this legislative day. Is that not correct?

Mr. BAYH. The Senator from Nevada is correct. The Senator from Indiana has no desire at this time to speak more than once. Technically, I think the Senator from Nevada is correct. The Senator from Indiana has checked with the Senator from Wisconsin, and he is in complete agreement with this motion.

Mr. BIBLE. Would the Presiding Officer have the clerk state the motion of the Senator from Indiana, so that I am clear on what is being done? I think I know what is being done, but I want to be sure.

The PRESIDING OFFICER. Will the Senator from Indiana please send the motion to the desk?

Mr. BAYH. I will be glad to read it myself, and then the clerk can read it, so that there will be no question about it.

I move to postpone the consideration of the conference report on Department of Transportation appropriations until tomorrow, Saturday, December 19, 1970.

Mr. MANSFIELD. Mr. President, I wish the Senator from Indiana would not press that motion, because I would have to oppose it. An agreement has been reached that this would be the pending business during the first shift so to speak from now up to and including the 22d of this month.

I think that the manager of the bill and those most interested on both sides have been most courteous and considerate in allowing other noncontroversial or slightly controversial proposals to intervene.

It was my understanding, in talking with the Senator from Indiana, that he wanted to clear up a conference report on national disasters, which I understand would only take 2 or 3 minutes and is noncontroversial. But I would hope that the Senator would not press that motion, because there is nothing to be gained. It is debatable, and it will be debated if it is pressed.

Mr. BAYH. The Senator from Indiana in no way wants to interfere with the normal legislative process that was established by the filing of the cloture motion yesterday.

I would be prepared to withdraw this motion and ask unanimous consent that I be permitted to deliver a speech which will not count against me.

The PRESIDING OFFICER. Is there objection?

Mr. BIBLE. Mr. President, would the Senator from Indiana restate that? Unanimous consent to do what?

Mr. BAYH. Let me rephrase it.

Mr. BIBLE. I assured the distinguished Senator from Wisconsin the other evening—if it throws any light on this parliamentary entanglement—that I had no objection to his speaking. I do not want to foreclose anybody's rights in this matter.

Mr. BAYH. Mr. President, I withdraw the motion.

The PRESIDING OFFICER. The motion is withdrawn.

The Senator from Nevada is recognized.

Mr. BIBLE. Mr. President, as I understand, the pending business is the adoption of the conference report.

The PRESIDING OFFICER. The Senator is correct.

Mr. BIBLE. The yeas and nays have been ordered.

The PRESIDING OFFICER. The yeas and nays have been ordered.

Mr. BAYH. Mr. President, without losing my right to the floor, I yield to the distinguished Senator from North Dakota for 2 minutes.

POTATO AND TOMATO PROMOTION PLANS

Mr. YOUNG of North Dakota. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 1181.

The PRESIDING OFFICER laid before the Senate S. 1181, an act to provide for potato and tomato promotion programs.

Mr. YOUNG of North Dakota. Mr. President, I move that the Senate insist on its amendments and agree to the request of the House for a conference, and that the Chair be authorized to appoint the conferees.

The motion was agreed to, and the Chair appointed Mr. ELLENDER, Mr. HOLLAND, Mr. EASTLAND, Mr. AIKEN, and Mr. YOUNG of North Dakota conferees on the part of the Senate.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Leonard, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding officer (Mr. STEVENSON) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations received today, see the end of Senate proceedings.)

DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATIONS, 1971

The Senate continued with the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 17755) making appropriations for the Department of Transportation and related agencies for the fiscal year ending June 30, 1971, and for other purposes.

Mr. BIBLE. Mr. President, the pending business is on adoption of the conference report on the appropriation for the Department of Transportation, is that correct?

The PRESIDING OFFICER. Yes; and the yeas and nays have been ordered.

Mr. BIBLE. The yeas and nays are still ordered. I thank the Chair.

Mr. President, I now yield the floor.

Mr. BAYH. Mr. President—

The PRESIDING OFFICER. The Senator from Indiana is recognized.

FEDERAL PROGRAMS FOR RELIEF FROM EFFECTS OF MAJOR DISASTERS—CONFERENCE REPORT

Mr. BAYH. Mr. President, I ask unanimous consent that, without losing my right to the floor, or having this count as another speech against the Senator from Indiana, as the chairman of the Senate conferees on the Disaster Relief Act conference committee, we temporarily put aside the pending business long enough to consider a conference report on the Disaster Relief Act of 1970.

Mr. BAYH. Mr. President, reserving the right to object—and I do not think I shall object—do I understand correctly that this is a request of the Senator from Indiana merely to call up a conference report, which has been agreed to on both sides of the aisle, if I am correctly advised, and will occupy not over 15 minutes?

Mr. BAYH. That is right.

Mr. BIBLE. I did not catch any time limit.

Mr. BAYH. Mr. President, I ask unanimous consent that the time allotted to the conference report not exceed 15 minutes.

Mr. BAYH. With the further understanding that at the termination of the 15 minutes and disposition of the conference report, the pending business will be adoption of the conference report on the Department of Transportation.

Mr. BAYH. That certainly is the intention of the Senator from Indiana.

Mr. BIBLE. I was sure that it was, of course.

Mr. SCOTT. Mr. President, I take it there is no expectation of a rollcall vote to be taken on this matter which the Senator from Indiana has in mind.

December 18, 1970

Mr. BAYH. The Senator from Indiana does not intend to ask for a rollcall vote. He cannot speak for other Members of this body, of course, but he knows of no one who wants to ask for a rollcall vote.

The PRESIDING OFFICER (Mr. STEVENSON). Is there objection to the request of the Senator from Indiana? The Chair hears none, and it is so ordered.

Mr. BAYH. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 3619) to revise and expand Federal programs for relief from the effects of major disasters, and for other purposes.

I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER (Mr. STEVENSON). Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

(For conference report, see House proceedings of December 15, 1970, pages H11729-H11734, CONGRESSIONAL RECORD.)

Mr. BAYH. Mr. President, the conferees on S. 3619 have agreed on a bill that establishes a basic, comprehensive Federal disaster relief program. It is intended to be permanent law. It aims at coordinating disaster relief and recovery efforts of all appropriate Federal, State, and local authorities, and all disaster relief and assistance organizations under a single, coherent law, so that when a major disaster occurs anywhere in the country, the full resources and capabilities of both the public and the private sectors can be marshalled to cope with the immediate threat to life and property and to undertake the long, difficult and costly task of repair, restoration, reconstruction and replacement.

It reenacts a number of provisions earlier written into law in 1950, 1966 and 1969; it repeals existing laws of those years; and it advances several new programs for responding effectively to major disasters.

This is the culmination of years of effort by many earnest and hard working members of both Houses. I wish to pay tribute to the statesmanlike approach demonstrated once again by our colleagues from the House Committee on Public Works, Representatives JONES of Alabama, WRIGHT of Texas, JOHNSON and CLAUSEN of California, and SCHWENGEL of Iowa, who were the managers of the bill on the part of the House in this conference.

I wish also to express my deep appreciation for the intelligent and imaginative contribution made by my colleagues on the Special Subcommittee on Disaster Relief of the Senate Committee on Public Works: Senators SPONG, EAGLETON, GRAVEL, DOLE, GURNEY, and PACKWOOD.

My special gratitude goes to the chairman of the full committee, the distinguished Senator from West Virginia, JENNINGS RANDOLPH, under whose leadership the special subcommittee was formed and the investigations and hearings relating to enactment of this legislation were carried forward.

I also want to recognize the contribution of our distinguished ranking minority member, the Senator from Kentucky, JOHN SHERMAN COOPER. Many of the provisions of the bill he introduced, S. 3745, the Administration's Disaster Relief Act, have been incorporated in the bill before us.

Likewise, I wish again to thank the members of the Senate Committee on Banking and Currency and especially its chairman, Senator JOHN SPARKMAN, for the advice and counsel that they provided us in preparing this bill for submission to the Senate.

I will not take the time of the Senate to repeat the detailed description of this bill which appears in Senate Report 91-1157 and in the CONGRESSIONAL RECORD of September 9 of this year, beginning on page S15093.

It is enough to say, I believe, that, as agreed to in the conference, the bill follows the format of the Senate bill and includes a number of significant provisions that were contained in the House version.

Perhaps the most important of these is section 241 authorizing grants to local governments which, as a result of a major disaster, have suffered a substantial loss of property tax revenue. The Senate bill had proposed a community disaster loan fund for this purpose, but in the conference we were persuaded that the House approach was more equitable and would be a greater assistance to communities that had been ravaged by natural catastrophes.

It will be of interest to the members of the Senate Banking Committee that the disaster loan interest rate formula proposed by them was retained in the conference report with the addition of a 6-percent interest rate ceiling on any such loan. Likewise, the proposal of the Banking Committee, to treat veterans who hold direct GI loans in the same fashion as those who have guaranteed loans, was agreed to by the conferees. In addition, section 231 relating to small business disaster loans, including programs under both section 7(b)(1) and subsections (2) and (4) of the Small Business Act.

One feature of this legislation which has attracted widespread interest is the official recognition given to the Salvation Army and the Mennonite Disaster Service, as well as other relief and disaster assistance organizations.

Mr. President, in 1965 several Senators started work on a major overhaul of the disaster laws of this land. It has been a difficult struggle. The battle has been largely won and consummated by the adoption of this conference report. There are many people who are directly responsible for it. I allude to just two at this particular time; namely, the Senator from Virginia (Mr. SPONG) who was a member of the special subcommittee on disaster relief and one of the conferees, and the Senator from Kansas (Mr. DOLE), another member of the subcommittee and also one of the conferees. This was greatly helped by the strong assistance of our two colleagues from Mississippi, Mr. EASTLAND and Mr. STEN-

NIS. When Hurricane Camille ravaged the gulf coast, they were very helpful, as were many others.

Mr. EASTLAND. Mr. President, will the Senator from Indiana yield?

Mr. BAYH. I yield.

Mr. EASTLAND. Mr. President, the distinguished Senator from Indiana (Mr. BAYH) left himself out. I think that he and the other conferees did a magnificent job on this conference. This is a good bill. If it had not been for the dogged determination of my good friend from Indiana, I do not believe this conference report would be before the Senate today. It will be a monument to the distinguished Senator from Indiana in the future.

Mr. BAYH. I certainly appreciate the kind remarks of my friend from Mississippi. I should point out—

Mr. EASTLAND. I should add that all the conferees have performed a very distinguished service in this conference report. It certainly will mean a lot to my State.

Mr. BAYH. I certainly appreciate the thoughtful remarks of the Senator from Mississippi. He has been very helpful.

One member of his staff, Bill Simpson, has been doggedly determined also. He worked closely with me and other members of the conference committee, as well as with the Committee on Public Works, and I appreciate his fine work.

What this bill will do, let me say quickly for the sake of saving time, is to establish once and for all, in one place the bedrock law of the land, a national policy for the provision of assistance for those who suffer severe losses in major disasters.

The history of disaster legislation in this country has been such that it has been spread over the record in so many places that it would take a Perry Mason and all his assistants to discover it. How the statutes and regulations would apply in any given situation also compounded the problem. We have now established, in one law, in advance of the time a disaster strikes, the various kinds of help that will be available to aid the helpless souls stricken by acts of nature.

Mr. President, the bill will greatly increase the commitment and the responsibility of the Government so far as what should be done with respect to providing help for those individuals who are the victims of a disaster.

Some of us have been conscience stricken by the inequity of the situation, in which our people would spend hundreds of millions of dollars whenever other nations were hit by disasters, which of course is in the finest tradition of American concern for others, but our laws did not provide adequate relief and help for our own citizens, in our own land, when they were hit by disasters.

Now we will have on the statute books if the Senate will enact and the President will sign this measure, a law which should do much to remedy the situation and provide meaningful, substantial assistance to disaster victims.

Mr. President, that is all I care to say at this time.

Mr. SPONG. Mr. President, will the Senator from Indiana yield?

Mr. BAYH. I yield to the distinguished Senator from Virginia who has been so helpful in this matter.

Mr. SPONG. Mr. President, the Conference report before the Senate will establish a mechanism by which all levels of government can respond quickly and efficiently to the needs of individuals, communities and businesses which may be struck by natural disasters.

The major provisions of the Disaster Relief Act of 1969 are retained and made permanent. Moreover, several sections of the conference report are retroactive to Hurricane Camille, and may well provide additional assistance needed by the victims of that disaster.

The retroactive provisions of the bill are as follows:

First. The President could authorize on a temporary basis the assumption of mortgage or rental payments of victims who because of financial hardship caused by a disaster, have received notice of eviction or foreclosure. Such assistance can be provided for 1 year or for the duration of the financial hardship, whichever is lesser.

Second. The Small Business Administration and the Farmers Home Administration could make loans to major sources of employment in a disaster-stricken area without regard to the \$500,000 ceiling imposed administratively by SBA and FHA. In order to be eligible, an enterprise must be damaged to the extent that it is no longer in substantial operation as a result of a disaster.

Third. The President could authorize grants to any local governments which have suffered a substantial loss of property tax revenue as a result of a disaster. Grants could be made for the tax year in which the loss occurred, and for each of the 2 following tax years.

Fourth. The President could authorize 100 percent of the net cost of repairing or replacing public facilities damaged or destroyed by a disaster. Such payments would be based on restoring facilities to their design immediately prior to the disaster. Public facilities are defined as flood control, public power, sewage treatment and collection, water supply and distribution, or airport facility, any non-Federal aid street, road or highway, and most public buildings.

Mr. President, the retroactive provision authorizing 100 percent Federal payments for the cost of repairing or replacing public facilities should be of significant assistance to States struck by Hurricane Camille.

Federal aid for repairing non-Federal aid highways under the Disaster Relief Act of 1969 was limited to 50 percent of the cost. Eligibility for 100 percent of the cost will be extremely beneficial to my State, where highway repair work was a substantial item in the recovery effort.

I also am pleased the conference report gives specific recognition for the first time to the Salvation Army and the Mennonite Disaster Service. These organizations have a tradition of magnificent service in disaster assistance, and should have status comparable to the American Red Cross.

Mr. President, I have some reservations over the authorization in the conference report for a grant program to local governments suffering substantial losses of property tax revenue. I acceded to the wishes of other members of the conference committee on this matter, but I maintain my belief that as a matter of policy such assistance should be conditioned upon State participation in the program. The States should be charged with some degree of responsibility for assisting localities where tax bases have been substantially destroyed by a disaster. We should not look solely to the Federal Government in this matter.

The Disaster Relief Act of 1969 was a temporary measure, but it was a useful tool in the Virginia recovery effort from record-breaking floods caused by Hurricane Camille last summer in the James River Basin. Several key provisions of last year's measure expire in just 14 days, so it is particularly appropriate that we are considering permanent legislation at this time.

Mr. President, I wish to commend the distinguished chairman of the Public Works Committee (Mr. RANDOLPH) for establishing the Special Subcommittee on Disaster Relief, and to thank him for affording me an opportunity to serve on the subcommittee and to participate in the development of this legislation.

The product of our work, in my judgment, will be both workable and effective. We had the benefit of testimony from victims of Hurricane Camille in Virginia and Mississippi, and from officials responsible for administering disaster assistance programs.

It has been a pleasure to serve with our able subcommittee chairman, Mr. BAYH. He has been endeavoring since 1965 to secure the enactment of a permanent disaster assistance bill, and his background knowledge has been invaluable to me and other members of the subcommittee. I also wish to acknowledge the contribution made by other members of the subcommittee—Mr. EAGLETON, Mr. GRAVEL, Mr. DOLE, Mr. GURNEY, and Mr. PACKWOOD.

Also, I should like to take another occasion to thank this body on behalf of the citizens of Virginia for the swift consideration accorded both temporary and permanent legislation since Camille struck the gulf coast and the James River Basin of Virginia.

Mr. President, I commend the Senator from Indiana. Since 1965 he has been in the forefront of this fight. It is significant, as we adopt this conference report today, that we recognize here, just 15 months from the day, as Hurricane Camille struck, we are able to consider permanent legislation.

On the occasion when we adopted temporary legislation, that was done within a matter of weeks after Camille had struck.

Mr. BAYH. Mr. President, I certainly appreciate the kind remarks of the Senator from Virginia. As I said earlier, he has been one of those who has been a strong proponent of this legislation and was very helpful in getting more information and making it available to the committee when we held hearings in

his State. We are all indebted to him for his efforts in this matter.

Mr. SPONG. Mr. President, I thank the Senator from Indiana.

Mr. DOLE. Mr. President, will the Senator yield?

Mr. BAYH. I yield.

Mr. DOLE. Mr. President, first let me echo the views expressed by the Senator from Virginia, the Senator from Mississippi, and the Senator from Indiana.

Let me also suggest that this has been an area of cooperation between the executive branch and the legislative branch. There has been coordination, cooperation, and, I think, an effort to compromise some of the differences that have arisen.

I certainly share the views expressed by everyone that this is necessary legislation, that it is in the best interest of all America, and that this is an outstanding piece of legislation.

Perhaps only those in this Chamber recognize the importance of it when a disaster strikes their States or their areas, as has been the case in Indiana, Virginia, Mississippi, and to some lesser degree in Kansas.

No State is exempt. It can happen at any time and without warning.

I also express great thanks to the Senator from Indiana who has been a leader in this area of legislation.

Mr. President, today marks the culmination of our efforts to obtain comprehensive Federal disaster assistance legislation. Although attempts have been made in the past to improve the laws governing the Federal response to major natural disasters, not until passage of this legislation has there been one set of laws containing the programs and procedures necessary to insure effective Federal action.

In 1969, because of the unusually large number of natural disasters, and particularly after Hurricane Camille, it became apparent there was a need to review our disaster laws. To accomplish this task, the Senate Public Works Committee created the Subcommittee on Disaster Relief which held field hearings in Biloxi, Miss., Roanoke, Va., and here in Washington.

At the same time, the Office of Emergency Preparedness, the official arm of the President responsible for coordinating and implementing Federal disaster assistance, recognized the need to improve the Federal performance. In a special message to Congress, President Nixon proposed legislative and administrative changes necessary "to respond effectively when nature gets out of control and victimizes our citizens."

The legislation before us is a combination of the best elements of S. 3619, introduced by Senator BAYH, chairman of the Subcommittee on Disaster Relief, S. 3745, introduced by Senator COOPER, ranking minority member of the full Committee on Public Works, on behalf of the administration, and the House-passed bill. It contains new and revised programs that we hope will meet needs that have been inadequately or completely unmet in the past. It also consolidates existing programs that have proven satisfactory. By placing all disaster laws in

one statute, we hope to simplify the task of the administrator and improve the delivery of assistance to disaster victims.

But while most problems have been dealt with, two questions remain unanswered. During our hearings, we heard many complaints about insurance coverage for property owners. Since that time, the national flood insurance section of the Housing and Urban Development Act of 1969, permitting Federal insurance assistance in flood-prone areas, has been implemented. We will be very interested to hear from the Federal Insurance Administrator and the Office of Emergency Preparedness whether the frustrations arising out of past insurance practices have ceased to occur. Further, the comprehensive study of property insurance coverage requested by the President is to be available early next year and should provide additional guidance.

The response of State and local governments to a major natural disaster is often closely related to the viability of State and local civil defense units. The relationship between the Federal Government's disaster assistance and civil defense activities has been under review by the President. I am hopeful the findings and recommendations of his study will be made available in order for the Congress to determine if statutory changes are needed.

Finally, I want to take this opportunity to comment on the bipartisan spirit of cooperation among both Houses of Congress and with the executive branch. Throughout our consideration of this legislation, the Members of Congress and their staff worked closely with the responsible officials in the Office of Emergency Preparedness. The comprehensive approach to disaster assistance achieved by the Disaster Relief Act of 1970 is a tribute to that cooperation.

I join my colleagues in urging approval of this conference report.

Mr. BAYH. Mr. President, I certainly appreciate the comments of the distinguished Senator from Kansas who is a member of the Public Works Committee and was a Member of special subcommittee and the conference committee.

The Senator from Kansas has been extremely helpful.

As he points out, this is an excellent example of what can be done when problems confront this country. There are those who say that the system will not work. Frankly, I am often frustrated that it does not work as well as I believe it can. We are all dedicated to doing something about this.

This measure is an example of what can be accomplished by cooperative effort. A group of Senators started from scratch 5 years ago, and, by setting a number of precedents, were able to forge ahead and settle their differences. This effort has certainly been nonpartisan. The administration made some excellent suggestions that were incorporated into the act.

It is an example of how we can make the system work if we are willing to expend the effort to do so.

Mr. President, how much time remains of the 15 minutes?

THE PRESIDING OFFICER. Seven minutes.

Mr. BAYH. Mr. President, I ask unanimous consent that the Senate return to the previous order of business until the distinguished Senator from West Virginia (Mr. RANDOLPH), the chairman of the Public Works Committee, returns, and that his remarks then be made contiguous with those made heretofore.

Mr. GRIFFIN. Mr. President, reserving the right to object—

Mr. JORDAN of North Carolina. Mr. President, I suggest the absence of a quorum.

THE PRESIDING OFFICER. The clerk will call the roll.

Mr. BAYH. Mr. President, would the Senator withhold that request?

Mr. JORDAN of North Carolina. I withhold my request.

Mr. BAYH. Mr. President, I rephrase my unanimous consent request to provide that when the Senator from West Virginia (Mr. RANDOLPH) comes to the floor, he be recognized for not to exceed 5 minutes and that his remarks be made contiguous with the debate which has just transpired.

Mr. GRIFFIN. Mr. President, reserving the right to object, the understanding would be that after the interruption of not to exceed 5 minutes by the Senator from West Virginia, the pending business would again be the conference report on the Department of Transportation.

Mr. BAYH. The Senator is correct.

THE PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. RANDOLPH. Mr. President, I am very grateful to my colleague from Indiana who chaired the special subcommittee handling the disaster relief legislation in the Committee on Public Works. He has acted with knowledge and with perception of a problem that even though great today, perhaps could be even greater tomorrow, as we think in terms not of disasters spotted here and there throughout the States but of disasters that might have even greater impact on literally hundreds of thousands of people throughout America.

Mr. President, I express strong support of the conference report on S. 3619, the Disaster Relief Act of 1970. This is legislation that our country has long needed. Once it becomes law the Federal Government will be able, without special congressional action, to meet each new disaster—to move quickly and efficiently on a broad front to provide emergency relief and recovery assistance to affected citizens, businesses, farms, and States and local communities.

I commend the Senator from Indiana (Mr. BAYH) for his vision, his perseverance and his leadership in the long struggle to bring about enactment of this vital measure. He deserves the gratitude of all citizens.

Mr. President, the distinguished Senator from Mississippi (Mr. STENNIS) is now in the Chamber and he knows that earlier today we discussed the fact that disaster relief legislation had been a patchwork before hurricane Camille.

Mr. STENNIS. Mr. President, will the Senator from West Virginia yield?

Mr. RANDOLPH. I yield.

Mr. STENNIS. I commend the Senator from West Virginia highly for laying down the framework and the basis for enacting the necessary legislation to be ready to move in on these calamitous happenings. Although we did not have it at the time of hurricane Camille, we moved quickly after that. This legislation will be a great asset to the Nation. I know from experience that we need such a law as has been envisioned.

Mr. RANDOLPH. I am very grateful to my distinguished colleague from Mississippi for his kind words.

Now, Mr. President, the Senator from Indiana has had the dedicated support and assistance of the other members of the Special Subcommittee on Disaster Relief and of the full Committee on Public Works, both majority and minority members. As has been mentioned, the Senator from Kentucky (Mr. COOPER) in his bill, S. 3745, supplied many of the concepts which are embodied in the final version of the Disaster Relief Act. The Senator from Kansas (Mr. DOLE) made significant contributions during subcommittee and committee consideration, as did the Senator from Virginia (Mr. SPONG) and all members of the Public Works Committee.

While I did not serve as a conferee on this bill, I am aware of the spirit of co-operation and willingness to reach agreement manifested by the conferees on the part of the House, led by my dear friend, Representative BOB JONES of Alabama. I salute them and thank them for their help. Together, the conferees for both Houses have built a splendid edifice.

Mr. BAYH. Mr. President, before the Senator yields the floor, let me say that I appreciate his thoughtful remarks and reiterate what I said earlier that without his assistance the establishment of this Special Subcommittee on Disaster Relief, for the first time in history, would not have been possible. His interest and concern have been felt in every step of the deliberation process.

I, as the chairman of that subcommittee, am deeply grateful for his advice and counsel and perseverance in this area.

Mr. RANDOLPH. The Senator is very thoughtful.

Mr. TOWER. I originally offered an amendment to this bill designed to permit needed relocation payments to be made to owners and tenants who are forced by a major disaster to vacate homes or businesses which are subsequently included in an urban renewal project. At present, these people may be denied these payments simply because they are unable to return to their homes or places of business before they are condemned or acquired. Section 254 of the Senate version of the bill was designed to preserve their entitlement to the various kinds of relocation payments that can be made under section 114 of the Housing Act of 1949 notwithstanding this temporary situation resulting from the disaster.

I understand from the Senator from Indiana (Mr. BAYH) that the conference report on S. 3619 contains legislation designed to preserve this entitlement.

Mr. BAYH. Mr. President, I move that the conference report be approved.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

Mr. YARBOROUGH. Mr. President, will the Senator from Indiana yield?

Mr. BAYH. I yield.

Mr. YARBOROUGH. Mr. President, I firmly believe that history will record the adoption of S. 3619, the Omnibus Disaster Relief Act, as one of the most significant acts of the 91st Congress. For years, there has not been a comprehensive program of Federal relief designed to meet the many problems of the victims of major disasters. Instead we have sought to deal with each major disaster as an individual matter and have passed special legislation to assist its victims. All too often this emergency legislation has come too late and provided too little to be of the kind of assistance that such victims need. Furthermore, the basic disaster assistance act, Public Law 875, which was passed in 1950, is a limited measure which does not begin to touch the many human difficulties that result from such disasters. The bill before us today will fill this gap in our laws and will for the first time provide a coordinated program of assistance that will benefit all disaster victims.

During my 13 years in the Senate, my beloved State has suffered the devastating effects of many major disasters. Based on my experiences in assisting the victims of such disasters as Hurricane Beluah and Carla, I recognize the need for new programs of disaster assistance and therefore became an active cosponsor of this bill. While this bill was being considered by the Public Works Committee, Texas was again hit by three disasters of catastrophic proportions: The Lubbock and Plainview tornadoes, San Marcos flood and Hurricane Celia. I personally toured these disaster areas and talked with the victims and, based on this first hand experience, I realized that S. 3619 did not cover many of the special needs of these unfortunate people. Consequently, in an effort to make a good bill better, I introduced several amendments which the Senate accepted and which have been agreed to by the conferees.

First among these amendments was one which established a program under which the Director of the Office of Emergency Preparedness is authorized to make grants to persons who have suffered severe financial hardship as a result of a major disaster for the purpose of helping them meet their home mortgage or rent payments. In the Lubbock disaster, one of the hardest hit groups was the Mexican-American citizens who reside in the Guadalupe section of Lubbock. Not only did many of these people suffer major damage to their homes and physical injury, but also many of them lost their source of employment. Consequently they were unable to meet the payments on their homes and were in danger of being evicted. My amendment will provide relief to these people and enable them to retain their homes

and also spare them the personal indignity of being dispossessed.

Second, I was successful in obtaining an amendment which would make the new programs provided for by S. 3619 retroactive to April 1, 1970, thus assuring the victims of the recent Texas disasters of receiving the benefits of this bill. Of particular importance to Texas disaster victims are the provisions that increase the amount of a Small Business Administration or Farmers Home Administration disaster loan that can be canceled from \$1,800 to \$2,500. Under the present law, a disaster victim who receives a loan from the Small Business Administration or Farmers Home Administration must repay the first \$500 of such loan but can have the next \$1,800 canceled. During these days of runaway inflation and high construction costs, this amount is of too little value to low-and middle-income disaster victims. S. 3619 wisely increases this amount to \$2,500. My amendment assures the victims of the recent Texas disasters that they will have the benefit of this increased cancellation authority.

Third, the bill contains the legal assistance program that the distinguished junior Senator from Alaska (Senator GRAVEL) and I have advocated. More specifically, S. 3619 authorizes the Director of Office of Emergency Preparedness to provide legal services to low-income disaster victims who need help in obtaining their benefits under the disaster laws and also processing their claims arising out of the disaster. This program is of great importance because, in the confusion and despair which accompany a major disaster, many people do not know what rights they have and who to turn to for help in securing them. This amendment will provide these unfortunate people with the legal protection they so desperately need.

Mr. President, not only is S. 3619 a great piece of substantive legislation, it is also tangible evidence that the elective representatives of the people can and will respond to human needs. As I toured the disaster-stricken areas of Texas, I assured these victims that Congress does care about their plight and would come to their aid. By passing this bill, Congress has fulfilled its duty and kept faith with the people.

Mr. President, I commend the distinguished junior Senator from Indiana (Senator BAYH) for all the work he has done on this important bill. I am particularly grateful to him for the concern he has shown for the Texas disaster victims. On their behalf, I thank Senator BAYH and all the members of the Public Works Committee for their efforts to help these citizens of my State. I urge all my colleagues to give this conference report their full support. ..

Mr. President, I commend the Senator from Indiana for his work on this bill and extend my thanks to him for accepting amendments which I offered as a result of having seen major disasters in Texas such as the Lubbock tornado where over 12 percent of the taxable property in the city of Lubbock, Tex., was destroyed and Hurricane Celia where an

estimated 65,000 homes were either destroyed or damaged in Corpus Christi, Tex., and the surrounding counties. That hurricane was the most destructive storm that we have had in Texas since the Galveston disaster in 1900. I personally spent a good many days in the hurricane area. I also opened an office in Corpus Christi and sent five staff assistants there to help the people. The expense of this operation I had to personally bear.

All too often, we find that when a major disaster strikes it will receive a few big headlines. And for a short time, people will try to do something to help. However, a week later, when the headlines stop, the people pull out and the victims are left on their own. We have learned that is what happens in most situations.

This bill will prevent this from happening in the future. This is the best disaster bill this country has ever had. The 1950 bill was woefully inadequate. The amendments which the Senator from Indiana accepted and had written into the law will be of great help in the future.

In conclusion Mr. President, I wish to restate that this is an important bill. The distinguished minority leader has characterized this session of the 91st Congress as an "unmitigated disaster," or something to that effect. I disagree. I say that this session has been a blessing to the people. We have passed the best disaster assistance bill we have ever had. In the past week Congress has passed the first great occupational health and safety bill to help 80 million people. These two measures by themselves justify this session.

I compliment the distinguished Senator from Indiana for his leadership with this bill. It is truly a monumental piece of legislation.

Mr. BAYH. I thank my distinguished friend from Texas. He is one of those Senators who has been extremely helpful in bringing matters before the Senate, and he has the expertise he received in Texas as a result of the terrible disaster they had recently.

Mr. YARBOROUGH. I thank the Senator.

ORDER OF BUSINESS

Mr. BAYH. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BAYH. Mr. President, am I correct in assuming the Senator from Indiana has the floor and that the order of business is the SST?

The PRESIDING OFFICER. The Senator is correct. The pending business is the Department of Transportation conference report.

Mr. KENNEDY. Mr. President, will the Senator yield for the consideration of a conference report?

Mr. BAYH. I am glad to yield.

Mr. GRIFFIN. Mr. President, reserving the right to object, and I shall not object, would the distinguished majority whip indicate a limitation of time for the matter he wishes to take up?

Mr. KENNEDY. I think the time of consideration would be no longer than 2 minutes.

MR. GRIFFIN. Would the Senator incorporate a limit of 5 minutes in his request?

Mr. BAYH. Mr. President, I yield to the Senator from Massachusetts for not to exceed 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Massachusetts is recognized.

REPEAL OF SECTION 7 OF THE ACT OF AUGUST 9, 1946 (60 STAT. 968)—CONFERENCE REPORT

Mr. KENNEDY. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 380) to repeal section 7 of the act of August 9, 1946 (60 Stat. 968).

I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report, which is as follows:

CONFERENCE REPORT (H. REPT. NO. 91-1785)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 380) to repeal section 7 of the Act of August 9, 1946 (60 Stat. 968), having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate to the text and title of the bill, and agree to the same with an amendment as follows: In lieu of the text inserted by the Senate amendments insert the following: That section 7 of the Act of August 9, 1946 (60 Stat. 968), is amended to read as follows:

"SEC. 7. (a) A person who is not an enrolled member of the Yakima Tribes with one-fourth degree or more blood of such tribes shall not be entitled to receive by devise or inheritance any interest in trust or restricted land within the Yakima Reservation or within the area ceded by the Treaty of June 9, 1855 (12 Stat. 1951), if, while the decedent's estate is pending before the Examiner of Inheritance, the Yakima Tribes pay to the Secretary of the Interior, on behalf of such person, the fair market value of such interest as determined by the Secretary of the Interior after appraisal. The interest for which payment is made shall be held by the Secretary in Trust for the Yakima Tribes.

(b) On request of the Yakima Tribes the Examiner of Inheritance shall keep an estate pending for not less than two years from the date of decedent's death.

(c) When a person who is prohibited by subsection (a) from acquiring any interest by devise or inheritance is a surviving spouse of the decedent, a life estate in one-half of the interest acquired by the Yakima Tribes shall, on the request of such spouse, be reserved for that spouse and the value of such life estate so reserved shall be reflected in the Secretary's appraisal under subsection (a)."

SEC. 2. The provisions of section 7 of the Act of August 9, 1946, as amended by this Act, shall apply to all estates pending before the Examiner of Inheritance on the date of this Act, and to all future estates, but

shall not apply to any estate heretofore closed.

HENRY M. JACKSON,
GEORGE McGOVERN,
PAUL J. FANNIN,
Managers on the Part of the Senate.

JAMES A. HALEY,
ED EDMONDSON,
JOHN P. SAYLOR,
Managers on the Part of the House.

Mr. KENNEDY. Mr. President, I have a brief statement by the distinguished Senator from Washington which I will read:

Mr. President, the Act of 1946 limits the inheritance of trust land on the Yakima Reservation in the State of Washington to (1) enrolled members of the Yakima Tribes, (2) who have one-fourth degree or more of Yakima blood. An exception is made for a surviving spouse who is an enrolled member but possesses less than one-fourth degree of Yakima blood. Such person may inherit a life estate only in not more than one-half the property.

This law has worked unfairly against other Indians who may have intermarried with Yakima Indians. As a result, their children have frequently been disinherited. H.R. 380, as originally passed by the House, would have repealed this law. However, the Senate Committee attempted to reach a formula whereby the heirs and legatees would be treated fairly, yet at the same time the Yakima Tribes would be able to continue their very commendable program of maintaining a tribal land base within the reservation. Therefore, the Senate adopted a substitute which would have protected an individual's right to be compensated for an interest which, under the present law, he would lose if he does not qualify as a Yakima Indian. In effect, what the Senate provided was an option for the Tribes to pay the heir in lieu of having the property passed to him. If the Tribes choose not to pay, then the property would pass under State law. In addition, a surviving spouse who is prohibited from acquiring an interest by devise or inheritance is given the additional option of preserving a life estate in one-half of the interest acquired by the Tribes.

The Conference Committee adopted substantially the formula recommended by the Senate with modifications, one of which will be of benefit to the Tribes in planning for their land consolidation program. This gives the Tribes at least two years to budget for the funds necessary to carry out their program.

I think the solution is in the highest tradition of the legislative process, and I commend my colleagues in both the House and the Senate for their cooperation.

I move the adoption of the conference report.

Mr. President, that concludes the statement of the Senator from Washington.

I move the adoption of the conference report.

The motion was agreed to.

DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATIONS, 1971

The Senate continued with the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 17755) making appropriations for the Department of Transportation and related agencies

for the fiscal year ending June 30, 1971, and for other purposes.

MR. GRIFFIN. Mr. President, what is the pending business?

The PRESIDING OFFICER. The pending business is the conference report on the Department of Transportation.

MR. KENNEDY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

MR. BAYH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MR. BAYH. Mr. President, the SST program has been attacked on grounds that supporting it represents a distortion of national priorities, that it would be excessively noisy, and that it would threaten permanent damage to the earth's environment. The aviation industry, on the other hand, has, by and large, enthusiastically supported the undertaking.

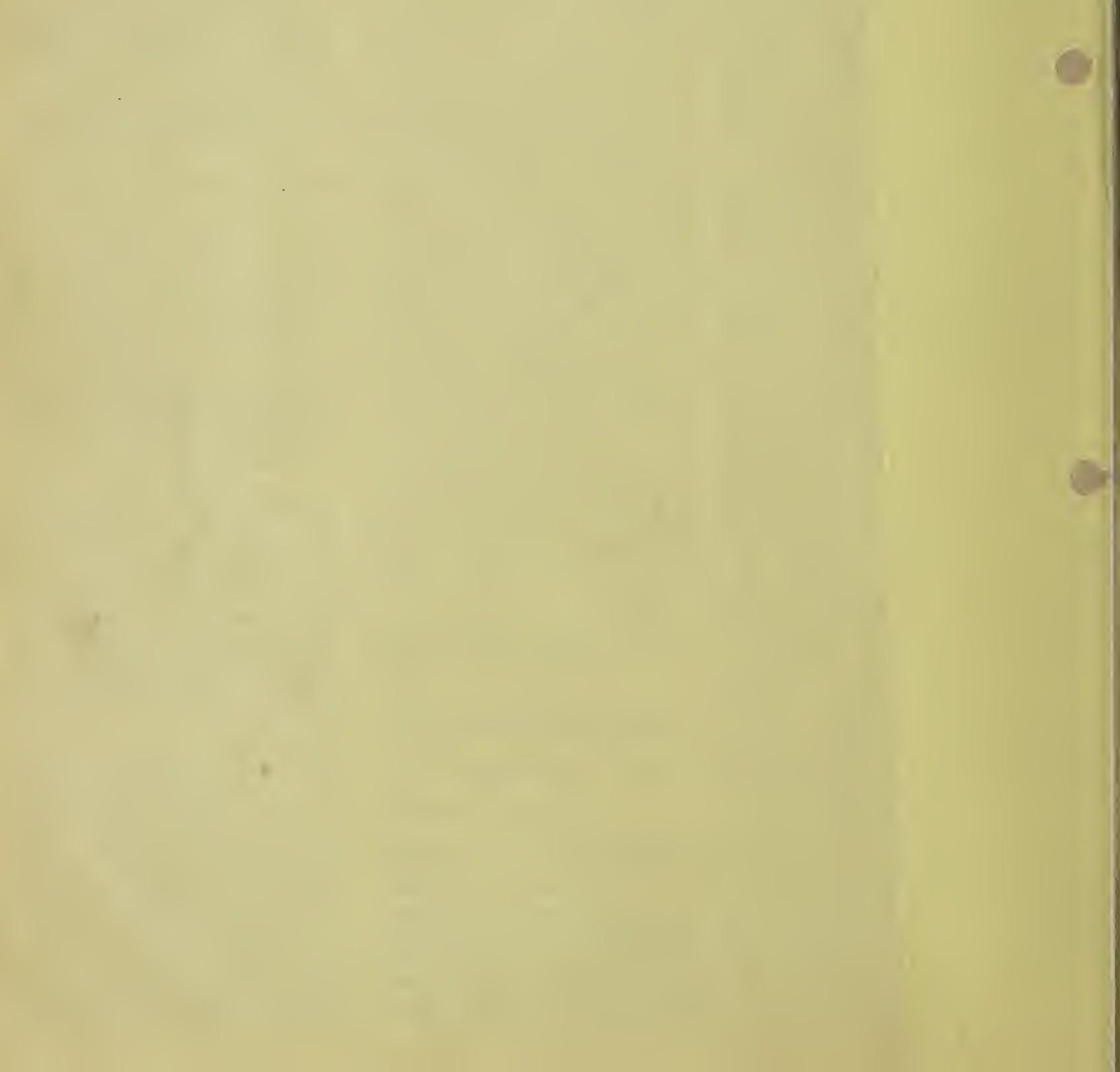
The SST poses a problem that is largely new in aviation technology. Until the SST, technological innovation in air transportation has typically combined improved quality of service in speed, comfort, and so forth, with reduced costs per seat-mile; in few prior cases has innovation brought about decreased economic efficiency. At least since the introduction of the DC-3 in the 1930's the American aircraft industry has played a major role in supplying the world's airlines with flight equipment. Since World War II with the introduction first of the large four-engined piston aircraft and then with the introduction of jet transports, the American aircraft industry has dominated the airways of the free world. This dominance has been developed, largely through the combination of designing technically superior aircraft and producing them in large enough volumes and with sufficient efficiency to make it possible for them to be operated more economically than their foreign rivals. Each new model typically was technically better and more economical than its predecessor.

With the SST the situation is very different and in a crucial way. Whereas it will offer many important technical advances and will, if it is produced, be a monument to sophisticated design and production capabilities of the American industry, it is expected, even by its most enthusiastic supporters, to be more costly per seat-mile than the subsonic jets it is intended to replace.

Its chief advantage will, of course, be its great speed; it is expected to cruise at nearly three times the speed of present jets. Yet, partly because only a fraction of the time in any door-to-door trip is spent in cruising, there is no conviction, even within the airline industry, that the bulk of air travelers will be willing to pay the additional cost of achieving such a speed advantage.

The problem is further complicated by two important facts: Whatever the dis-economies of an SST, other countries

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Public Law 91-606
91st Congress, S. 3619
December 31, 1970

An Act

To revise and expand Federal programs for relief from the effects of major disasters, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Disaster Relief Act of 1970".

Disaster Relief
Act of 1970

TITLE I—FINDINGS AND DECLARATIONS; DEFINITIONS

FINDINGS AND DECLARATIONS

SEC. 101. (a) The Congress hereby finds and declares that—

(1) because loss of life, human suffering, loss of income, and property loss and damage result from major disasters such as hurricanes, tornadoes, storms, floods, high waters, wind-driven waters, tidal waves, earthquakes, droughts, fires, and other catastrophes; and

84 STAT. 1744
84 STAT. 1745

(2) because such disasters disrupt the normal functioning of government and the community, and adversely affect individual persons and families with great severity;

special measures, designed to assist the efforts of the affected States in expediting the rendering of aid, assistance, and emergency welfare services, and the reconstruction and rehabilitation of devastated areas, are necessary.

(b) It is the intent of the Congress, by this Act, to provide an orderly and continuing means of assistance by the Federal Government to State and local governments in carrying out their responsibilities to alleviate the suffering and damage which result from such disasters by—

(1) revising and broadening the scope of existing major disaster relief programs;

(2) encouraging the development of comprehensive disaster relief plans, programs, and organizations by the States; and

(3) achieving greater coordination and responsiveness of Federal major disaster relief programs.

DEFINITIONS

SEC. 102. As used in this Act—

(1) "major disaster" means any hurricane, tornado, storm, flood, high water, wind-driven water, tidal wave, earthquake, drought, fire, or other catastrophe in any part of the United States, which, in the determination of the President, is or threatens to be of sufficient severity and magnitude to warrant disaster assistance by the Federal Government to supplement the efforts and available resources of States, local governments, and relief organizations in alleviating the damage, loss, hardship, or suffering caused thereby, and with respect to which the Governor of any State in which such catastrophe occurs or threatens to occur certifies the need for Federal disaster assistance under this Act and gives assurance of the expenditure of a reasonable amount of the funds of such State, its local governments, or other agencies for alleviating the damage, loss, hardship or suffering resulting from such catastrophe;

(2) "United States" means the fifty States, the District of Columbia, Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Trust Territory of the Pacific Islands;

(3) "State" means any State of the United States, the District of Columbia, Puerto Rico, the Virgin Islands, Guam, American Samoa, or the Trust Territory of the Pacific Islands;

(4) "Governor" means the chief executive of any State;

(5) "local government" means any county, city, village, town, district, or other political subdivision of any State, and includes any rural community or unincorporated town or village for which an application for assistance is made by a State or political subdivision thereof;

(6) "Federal agency" means any department, independent establishment, Government corporation, or other agency of the executive branch of the Federal Government, except the American National Red Cross; and

(7) "Director" means the Director of the Office of Emergency Preparedness.

TITLE II—THE ADMINISTRATION OF DISASTER ASSISTANCE

FEDERAL COORDINATING OFFICER

Appointment.

SEC. 201. (a) Immediately upon his designation of a major disaster area, the President shall appoint a Federal coordinating officer to operate under the Office of Emergency Preparedness in such area.

Duties.

(b) In order to effectuate the purposes of this Act, the coordinating officer, within the designated area, shall

(1) make an initial appraisal of the types of relief most urgently needed;

(2) establish such field offices as he deems necessary and as are authorized by the Director;

(3) coordinate the administration of relief, including activities of the American National Red Cross, the Salvation Army, the Mennonite Disaster Service, and other relief or disaster assistance organizations which agree to operate under his advice or direction, except that nothing contained in this Act shall limit or in any way affect the responsibilities of the American National Red Cross under the Act of January 5, 1905, as amended (33 Stat. 599); and

(4) take such other action, consistent with authority delegated to him by the Director, and consistent with the provisions of this Act, as he may deem necessary to assist local citizens and public officials in promptly obtaining assistance to which they are entitled.

EMERGENCY SUPPORT TEAMS

SEC. 202. The Director is authorized to form emergency support teams of Federal personnel to be deployed in a major disaster area. Such emergency support teams shall assist the Federal coordinating officer in carrying out his responsibilities pursuant to section 201(b) of this Act. Upon request of the Director, the head of any Federal department or agency is authorized to detail to temporary duty with the emergency support teams on either a reimbursable or nonreimbursable basis, as is determined necessary by the discretion of the Director, such personnel within the administrative jurisdiction of the head of the Federal department or agency as the Director may need or believe to be useful for carrying out the functions of the emergency support teams, each such detail to be without loss of seniority, pay, or other employee status.

**COOPERATION OF FEDERAL AGENCIES IN RENDERING
EMERGENCY ASSISTANCE**

SEC. 203. (a) In any major disaster, Federal agencies are hereby authorized, on direction of the President, to provide assistance by—

(1) utilizing or lending, with or without compensation therefor, to States and local governments, their equipment, supplies, facilities, personnel, and other resources, other than the extension of credit under the authority of any Act;

(2) distributing or rendering, through the American National Red Cross, the Salvation Army, the Mennonite Disaster Service, and other relief and disaster assistance organizations, or otherwise, medicine, food, and other consumable supplies, or emergency assistance;

(3) donating or lending equipment and supplies determined in accordance with applicable laws to be surplus to the needs and responsibilities of the Federal Government to State and local governments for use or distribution by them for the purposes of this Act; and

(4) performing on public or private lands or waters any emergency work essential for the protection and preservation of life and property, including—

(A) clearing and removing debris and wreckage in accordance with section 224;

(B) making repairs to, restoring to service, or replacing public facilities (including street, road, and highway facilities) of State and local governments damaged or destroyed by a major disaster, except that the Federal contributions therefor shall not exceed the net cost of restoring each such facility on the basis of the design of such facility as it existed immediately prior to the disaster in conformity with current codes, specifications, and standards;

(C) providing emergency shelter for individuals and families who, as a result of a major disaster, require such assistance; and

(D) making contributions to State or local governments for the purpose of carrying out the provisions of paragraph (4).

(b) Emergency work performed under subsection (a)(4) of this section shall not preclude Federal assistance under any other section of this Act.

(c) Federal agencies may be reimbursed for expenditures under this Act from funds appropriated for the purposes of this Act. Any funds received by Federal agencies as reimbursement for services or supplies furnished under the authority of this section shall be deposited to the credit of the appropriation or appropriations currently available for such services or supplies.

Reimbursement.

(d) The Federal Government shall not be liable for any claim based upon the exercise or performance or the failure to exercise or perform a discretionary function or duty on the part of a Federal agency or an employee of the Federal Government in carrying out the provisions of this section.

Liability.

(e) In carrying out the purposes of this Act, any Federal agency is authorized to accept and utilize the services or facilities of any State or local government, or of any agency, office, or employee thereof, with the consent of such government. Any Federal agency, in performing any activities under this section, is authorized to appoint and fix the compensation of such temporary personnel as may be necessary, with-

**Use of State
facilities and
personnel.**

80 Stat. 443.

5 USC 5101.

Ante, p. 198-1.

5 USC 3109.

Presidential powers.

Regulations.

Program review.

Study.

Report to Congress.

out regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of such title relating to classification and General Schedule pay rates, to employ experts and consultants in accordance with the provisions of section 3109 of such title, and to incur obligations on behalf of the United States by contract or otherwise for the acquisition, rental, or hire of equipment, services, materials, and supplies for shipping, drayage, travel, and communication, and for the supervision and administration of such activities. Such obligations, including obligations arising out of the temporary employment of additional personnel, may be incurred by an agency in such amount as may be made available to it by the President.

(f) In the interest of providing maximum mobilization of Federal assistance under this Act, the President is authorized to coordinate in such manner as he may determine the activities of Federal agencies in providing disaster assistance. The President may direct any Federal agency, with or without reimbursement, to utilize its available personnel, equipment, supplies, facilities, and other resources in accordance with the authority, herein contained. The President may prescribe such rules and regulations as may be necessary and proper to carry out any of the provisions of this Act, and he may exercise any power of authority conferred on him by any section of this Act either directly or through such Federal agency as he may designate.

(g) The President, acting through the Office of Emergency Preparedness, shall conduct periodic reviews (at least annually) of the activities of Federal and State departments or agencies providing disaster assistance, in order to assure maximum coordination of such programs, and to evaluate progress being made in the development of Federal, State, and local preparedness to cope with major disasters.

(h) The Director of the Office of Emergency Preparedness is authorized and directed to make in cooperation with the heads of other affected Federal and State agencies, a full and complete investigation and study for the purpose of determining what additional or improved plans, procedures, and facilities are necessary to provide immediate effective action to prevent or minimize losses of publicly or privately owned property and personal injuries or deaths which could result from fires (forest and grass), earthquakes, tornadoes, freezes and frosts, tsunami, storm surges and tides, and floods, which are or threaten to become major disasters. Not later than one year after the date of enactment of this subsection, and from time to time, the Director of the Office of Emergency Preparedness shall report to Congress the findings of this study and investigation together with his recommendations with respect thereto.

USE OF LOCAL FIRMS AND INDIVIDUALS

SEC. 204. In the expenditure of Federal funds for debris clearance, distribution of supplies, reconstruction, and other major disaster assistance activities which may be carried out by contract with private organizations, firms, or individuals, preference shall be given, to the extent feasible and practicable, to those organizations, firms, and individuals who reside or do business primarily in the disaster area.

FEDERAL GRANT-IN-AID PROGRAMS

Waiver.

SEC. 205. Any Federal agency charged with the administration of a Federal grant-in-aid program is authorized, if so requested by the applicant State or local authorities, to modify or waive, for the dura-

tion of a major disaster proclamation, such administrative procedural conditions for assistance as would otherwise prevent the giving of assistance under such programs if the inability to meet such conditions is a result of the disaster.

STATE DISASTER PLANS

SEC. 206. (a) The President is authorized to provide assistance to the States in developing comprehensive plans and practicable programs for preparation against major disasters, and for relief and assistance for individuals, businesses, and local governments following such disasters. Such plans should include long-range recovery and reconstruction assistance plans for seriously damaged or destroyed public and private facilities.

(b) The President is authorized to make grants of not more than \$250,000 to any State, upon application therefor, for not to exceed 50 per centum of the cost of developing such plans and programs.

(c) Any State desiring assistance under this section shall designate or create an agency which is specially qualified to plan and administer such a disaster relief program, and shall, through such agency, submit a State plan to the President, which shall—

(1) set forth a comprehensive and detailed State program for preparation against, and relief following, a major disaster, including provisions for emergency and long-term assistance to individuals, businesses, and local governments; and

(2) include provision for the appointment of a State coordinating officer to act in cooperation with the Federal coordinating officer appointed under section 201 of this Act.

(d) From time to time the Director shall make a report to the President, for submission to the Congress, containing his recommendations for programs for the Federal role in the implementation and funding of comprehensive disaster relief plans, and such other recommendations relating to the Federal role in disaster relief activities as he deems warranted.

(e) The President is authorized to make grants not to exceed 50 per centum of the cost of improving, maintaining, and updating State disaster assistance plans, except that no such grant shall exceed \$25,000 per annum to any State.

Grants for development.

State agency, designation.

State coordinating officer.

Report to President; submission to Congress.

Grants for maintenance.

USE AND COORDINATION OF RELIEF ORGANIZATIONS

SEC. 207. (a) In providing relief and assistance following a major disaster, the Director may utilize, with their consent, the personnel and facilities of the American National Red Cross, the Salvation Army, the Mennonite Disaster Service, and other relief or disaster assistance organizations, in the distribution of medicine, food, supplies, or other items, and in the restoration, rehabilitation, or reconstruction of community services and essential facilities whenever the Director finds that such utilization is necessary.

(b) The Director is authorized to enter into agreements with the American National Red Cross, the Salvation Army, the Mennonite Disaster Service, and other relief or disaster assistance organizations under which the disaster relief activities of such organizations may be coordinated by the Federal coordinating officer whenever such organizations are engaged in providing relief during and after a major disaster. Any such agreement shall include provisions conditioning use of the facilities of the Office of Emergency Preparedness and the

services of the coordinating officer upon compliance with regulations promulgated by the Director under sections 208 and 209 of this Act and such other regulations as the Director may require.

DUPLICATION OF BENEFITS

SEC. 208. (a) The Director, in consultation with the head of each Federal agency administering any program providing financial assistance to persons, business concerns, or other entities suffering losses as the result of a major disaster, shall assure that no such person, business concern, or other entity will receive such assistance with respect to any part of such loss as to which he has received financial assistance under any other program.

(b) The Director shall assure that no person, business concern, or other entity receives any Federal assistance for any part of a loss suffered as the result of a major disaster if such person, concern, or entity received compensation from insurance or any other source for that part of such a loss. Partial compensation for a loss or a part of a loss resulting from a major disaster shall not preclude additional Federal assistance for any part of such a loss not compensated otherwise.

(c) Whenever the Director determines (1) that a person, business concern, or other entity has received assistance under this Act for a loss and that such person, business concern or other entity received assistance for the same loss from another source, and (2) that the amount received from all sources exceeded the amount of the loss, he shall direct such person, business concern, or other entity to pay to the Treasury an amount, not to exceed the amount of Federal assistance received, sufficient to reimburse the Federal Government for that part of the assistance which he deems excessive.

NONDISCRIMINATION IN DISASTER ASSISTANCE

Regulations.

SEC. 209. (a) The Director shall issue, and may alter and amend, such regulations as may be necessary for the guidance of personnel carrying out emergency relief functions at the site of a major disaster. Such regulations shall include provisions for insuring that the distribution of supplies, the processing of applications, and other relief and assistance activities shall be accomplished in an equitable and impartial manner, without discrimination on the grounds of race, color, religion, nationality, sex, age, or economic status prior to a major disaster.

(b) As a condition of participation in the distribution of assistance or supplies under section 207, relief organizations shall be required to comply with regulations relating to nondiscrimination promulgated by the Director, and such other regulations applicable to activities within a major disaster area as he deems necessary for the effective coordination of relief efforts.

DISASTER WARNINGS

SEC. 210. The President is authorized to utilize or to make available to Federal, State, and local agencies the facilities of the civil defense communications system established and maintained pursuant to section 201(c) of the Federal Civil Defense Act of 1950, as amended (50 U.S.C. app. 2281(c)), for the purpose of providing needed warning to governmental authorities and the civilian population in areas endangered by imminent major disasters.

PREDISASTER ASSISTANCE

84 STAT. 1751

SEC. 221. If the President determines that a major disaster is imminent, he is authorized to use Federal departments, agencies, and instrumentalities, and all other resources of the Federal Government to avert or lessen the effects of such disaster before its actual occurrence.

EMERGENCY COMMUNICATIONS

SEC. 222. The Director is authorized during, or in anticipation of, an emergency to establish temporary communications in any major disaster area in order to carry out the functions of his office, and to make such communications available to State and local government officials and other persons as he deems appropriate.

EMERGENCY PUBLIC TRANSPORTATION

SEC. 223. The Director is authorized to provide temporary public transportation service to meet emergency needs in a major disaster area. Such service will provide transportation to governmental offices, supply centers, stores, post offices, schools, major employment centers, and such other places as may be necessary in order to enable the community to resume its normal pattern of life as soon as possible.

DEBRIS REMOVAL

SEC. 224. (a) The President, whenever he determines it to be in the public interest, is authorized—

(1) through the use of Federal departments, agencies, and instrumentalities, to clear debris and wreckage resulting from a major disaster from publicly and privately owned lands and waters.

(2) to make grants to any State or local government for the purpose of removing debris or wreckage resulting from a major disaster from publicly or privately owned lands and waters.

Grants.

(b) No authority under this section shall be exercised unless the affected State or local government shall first arrange an unconditional authorization for removal of such debris or wreckage from public and private property, and, in the case of removal of debris or wreckage from private property, shall first agree to indemnify the Federal Government against any claim arising from such removal.

Indemnity provision.

FIRE SUPPRESSION GRANTS

SEC. 225. The President is authorized to provide assistance, including grants, to any State for the suppression of any fire on publicly or privately owned forest or grassland which threatens such destruction as would constitute a major disaster.

TEMPORARY HOUSING ASSISTANCE

SEC. 226. (a) The Director is authorized to provide temporary housing or other emergency shelter, including, but not limited to, mobile homes or other readily fabricated dwellings for those who, as a result of such major disaster, require temporary housing or other emergency shelter, except that for the first twelve months of occupancy no rentals shall be established for any such accommodations, thereafter rentals shall be established, based upon fair market value

of the accommodations being furnished, adjusted to take into consideration the financial ability of the occupant. Notwithstanding any other provision of law, any such emergency housing acquired by purchase may be sold directly to individuals and families who are occupants thereof at prices that are fair and equitable. Any mobile home or readily fabricated dwelling shall be placed on a site complete with utilities provided by State or local government, or by the owner or occupant of the site who was displaced by the major disaster, without charge to the United States. However, the Director may elect to provide other more economical and accessible sites at Federal expense when he determines such action to be in the public interest.

Temporary
mortgage
or rent
payments.

Reemployment
assistance.

72 Stat. 389.
78 Stat. 7.

(b) The President is authorized to provide assistance on a temporary basis in the form of mortgage or rental payments to or on behalf of individuals and families who, as a result of financial hardship caused by a major disaster, have received written notice of dispossession or eviction from a residence by reason of foreclosure of any mortgage or lien, cancellation of any contract of sale, or termination of any lease, entered into prior to the disaster. Such assistance shall be provided for a period of not to exceed one year or for the duration of the period of financial hardship, whichever is the lesser. The President is authorized for the purposes of this subsection and in furtherance of the purposes of section 240 of this Act, to provide reemployment assistance services under other laws to individuals who are unemployed as a result of a major disaster.

SMALL BUSINESS DISASTER LOANS

SEC. 231. In the administration of the disaster loan program under section 7(b) (1), (2), and (4) of the Small Business Act, as amended (15 U.S.C. 636(b)), in the case of property loss or damage or injury resulting from a major disaster as determined by the President or a disaster as determined by the Administrator, the Small Business Administration—

(1) to the extent such loss or damage or injury is not compensated for by insurance or otherwise, (A) shall, on that part of any loan in excess of \$500, cancel the principal of the loan, except that the total amount so canceled shall not exceed \$2,500, except that this clause (A) shall apply only to loans made to cover losses and damage and injury resulting from major disasters as determined by the President, and (B) may defer interest payments or principal payments, or both, in whole or in part, of any loan made under this section during the first three years of the term of the loan except that any such deferred payments shall bear interest at the rate determined under section 234 of this Act.

(2) to the extent such injury, loss, or damage is not compensated for by insurance or otherwise, may grant any loan for repair, rehabilitation, or replacement of property damaged, or destroyed, without regard to whether the required financial assistance is otherwise available from private sources.

(3) may, in the case of the total destruction or substantial property damage of a home or business concern, refinance any mortgage or other liens outstanding against the destroyed or damaged property if such property is to be repaired, rehabilitated, or replaced, except that the amount refinanced shall not exceed the amount of the physical loss sustained. Any such refinancing shall be subject to the provisions of clauses (1) and (2) of this section.

FARMERS HOME ADMINISTRATION EMERGENCY LOANS

SEC. 232. In the administration of the emergency loan program under subtitle C of the Consolidated Farmers Home Administration Act of 1961, as amended (7 U.S.C. 1961-1967), and the rural housing loan program under section 502 of title V of the Housing Act of 1949, as amended (42 U.S.C. 1472), in the case of loss or damage, resulting from a major disaster as determined by the President, or a natural disaster as determined by the Secretary of Agriculture—

75 Stat. 311.

63 Stat. 432;

79 Stat. 497.

(1) to the extent such loss or damage is not compensated for by insurance or otherwise, (A) shall, on that part of any loan in excess of \$500, cancel the principal of the loan, except that the total amount so canceled shall not exceed \$2,500, except that this clause (A) shall apply only to loans made to cover losses and damage resulting from major disasters as determined by the President, and (B) may defer interest payments or principal payments, or both, in whole or in part, on any loan made under this section during the first three years of the term of the loan, except that any such deferred payments shall bear interest at the rate determined under section 234 of this Act.

(2) to the extent such injury, loss, or damage is not compensated for by insurance or otherwise, may grant any loan for repair, rehabilitation, or replacement of property damaged or destroyed, without regard to whether the required financial assistance is otherwise available from private sources.

(3) may, in the case of the total destruction or substantial property damage of homes or farm service buildings and related structures and equipment, refinance any mortgage or other liens outstanding against the destroyed or damaged property if such property is to be repaired, rehabilitated, or replaced, except that the amount refinanced shall not exceed the amount of the physical loss sustained. Any such refinancing shall be subject to the provisions of clauses (1) and (2) of this section.

Limitation.

LOANS HELD BY THE VETERANS' ADMINISTRATION

SEC. 233. (1) Section 1820(a)(2) of title 38, United States Code, is amended to read as follows:

72 Stat. 1213.

"(2) subject to specific limitations in this chapter, consent to the modification, with respect to rate of interest, time of payment of principal or interest or any portion thereof, security or other provisions of any note, contract, mortgage or other instrument securing a loan which has been guaranteed, insured, made or acquired under this chapter;"

(2) Section 1820(f) of title 38, United States Code, is amended to read as follows:

80 Stat. 1316.

"(f) Whenever loss, destruction, or damage to any residential property securing loans guaranteed, insured, made, or acquired by the Administrator under this chapter occurs as the result of a major disaster as determined by the President under the Disaster Assistance Act of 1970, the Administrator shall (1) provide counseling and such other service to the owner of such property as may be feasible and shall inform such owner concerning the disaster assistance available from other Federal agencies and from State or local agencies, and (2) pursuant to subsection (a)(2) of this section, extend on an individual case basis such forbearance or indulgence to such owner as the Administrator determines to be warranted by the facts of the case and the circumstances of such owner."

DISASTER LOAN INTEREST RATES

SEC. 234. Any loan made under sections 231, and 232 of this Act shall not exceed the current cost of repairing or replacing the disaster injury, loss, or damage in conformity with current codes and specifications. Any loan made under sections 231, 232, 236(b) and 237 of this Act shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity of ten to twelve years reduced by not to exceed 2 percentum per annum. In no event shall any loan made under this section bear interest at a rate in excess of 6 per centum per annum.

Maximum
rate.

AGE OF APPLICANT FOR LOANS

SEC. 235. In the administration of any Federal disaster loan program under the authority of section 231, 232, or 233 of this Act, the age of any adult loan applicant shall not be considered in determining whether such loan should be made or the amount of such loan.

FEDERAL LOAN ADJUSTMENTS

SEC. 236. (a) In addition to the loan extension authority provided in section 12 of the Rural Electrification Act, the Secretary of Agriculture is authorized to adjust and readjust the schedules for payment of principal and interest on loans to borrowers under programs administered by the Rural Electrification Administration, and to extend the maturity date of any such loan to a date not beyond forty years from the date of such loan where he determines such action is necessary because of the impairment of the economic feasibility of the system, or the loss, destruction, or damage of the property of such borrowers as a result of a major disaster.

(b) The Secretary of Housing and Urban Development is authorized to refinance any note or other obligation which is held by him in connection with any loan made by the Department of Housing and Urban Development or its predecessor in interest, or which is included within the revolving fund for liquidating programs established by the Independent Offices Appropriation Act of 1955, where he finds such refinancing necessary because of the loss, destruction, or damage (as a result of a major disaster) to property or facilities securing such obligations. The Secretary may authorize a suspension in the payment of principal and interest charges on, and an additional extension in the maturity of, any such loan for a period not to exceed five years if he determines that such action is necessary to avoid severe financial hardship.

AID TO MAJOR SOURCES OF EMPLOYMENT

SEC. 237. (a) The Small Business Administration in the case of a nonagricultural enterprise, and the Farmers Home Administration in the case of an agricultural enterprise, are authorized to provide any industrial, commercial, agricultural, or other enterprise, which has constituted a major source of employment in an area suffering a major disaster and which is no longer in substantial operation as a result of such disaster, a loan in such amount as may be necessary to enable such enterprise to resume operations in order to assist in restoring the economic viability of the disaster area. Loans authorized by this section shall be made without regard to limitations on the size of

loans which may otherwise be imposed by any other provision of law or regulation promulgated pursuant thereto.

(b) Assistance under this section shall be in addition to any other Federal disaster assistance, except that such other assistance may be adjusted or modified to the extent deemed appropriate by the Director under the authority of section 208 of this Act. Any loan made under this section shall be subject to the interest requirements of section 234 of this Act, but the President, if he deems it necessary, may defer payments of principal and interest for a period not to exceed three years after the date of the loan. Any such deferred payments shall bear interest at the rate determined under section 234 of this Act.

FOOD COUPONS AND DISTRIBUTION

SEC. 238. (a) Whenever the President determines that, as a result of a major disaster, low-income households are unable to purchase adequate amounts of nutritious food, he is authorized, under such terms and conditions as he may prescribe, to distribute through the Secretary of Agriculture coupon allotments to such households pursuant to the provisions of the Food Stamp Act of 1964 and to make surplus commodities available pursuant to the provisions of section 203 of this Act.

78 Stat. 703.
7 USC 2011
note.

(b) The President, through the Secretary of Agriculture, is authorized to continue to make such coupon allotments and surplus commodities available to such households for so long as he determines necessary, taking into consideration such factors as he deems appropriate, including the consequences of the major disaster on the earning power of the households to which assistance is made available under this section.

(c) Nothing in this section shall be construed as amending or otherwise changing the provisions of the Food Stamp Act of 1964 except as they relate to the availability of food stamps in a major disaster area.

LEGAL SERVICES

SEC. 239. Whenever the Director determines that low-income individuals are unable to secure legal services adequate to meet their needs as a consequence of a major disaster, consistent with the goals of the programs authorized by this Act, the Director shall assure that such programs are conducted with the advice and assistance of appropriate Federal agencies and State and local bar associations.

UNEMPLOYMENT ASSISTANCE

SEC. 240. The President is authorized to provide to any individual unemployed as a result of a major disaster, such assistance as he deems appropriate while such individual is unemployed. Such assistance as the President shall provide shall not exceed to maximum amount and the maximum duration of payment under the unemployment compensation program of the State in which the disaster occurred, and the amount of assistance under this section to any such individual shall be reduced by any amount of unemployment compensation or of private income protection insurance compensation available to such individual for such period of unemployment.

COMMUNITY DISASTER GRANTS

SEC. 241. The President is authorized to make grants to any local government which, as the result of a major disaster, has suffered a substantial loss of property tax revenue (both real and personal). Grants made under this section may be made for the tax year in which the disaster occurred and for each of the following two tax years. The grant for any tax year shall not exceed the difference between the annual average of all property tax revenues received by the local government during the three-tax-year period immediately preceding the tax year in which the major disaster occurred and the actual property tax revenue received by the local government for the tax year in which the disaster occurred and for each of the two tax years following the major disaster but only if there has been no reduction in the tax rates and the tax assessment valuation factors of the local government. If there has been a reduction in the tax rates or the tax assessment valuation factors then, for the purpose of determining the amount of a grant under this section for the year or years when such reduction is in effect, the President shall use the tax rates and tax assessment valuation factors of the local government in effect at the time of the disaster without reduction, in order to determine the property tax revenues which would have been received by the local government but for such reduction.

TIMBER SALE CONTRACTS

SEC. 242. (a) Where an existing timber sale contract between the Secretary of Agriculture or the Secretary of the Interior and a timber purchaser does not provide relief from major physical change not due to negligence of the purchaser prior to approval of construction of any section of specified road or of any other specified development facility and, as a result of a major disaster, a major physical change results in additional construction work in connection with such road or facility by such purchaser with an estimated cost, as determined by the appropriate Secretary, (1) of more than \$1,000 for sales under one million board feet, (2) of more than \$1 per thousand board feet for sales of one of three million board feet, or (3) of more than \$3,000 for sales over three million board feet, such increased construction cost shall be borne by the United States.

(b) If the Secretary determines that damages are so great that restoration, reconstruction, or construction is not practical under the cost-sharing arrangement authorized by subsection (a) of this section, the Secretary may allow cancellation of the contract notwithstanding contrary provisions therein.

(c) The Secretary of Agriculture is authorized to reduce to seven days the minimum period of advance public notice required by the first section of the Act of June 4, 1897 (16 U.S.C. 476), in connection with the sale of timber from national forests, whenever the Secretary determines that (1) the sale of such timber will assist in the construction of any area of a State damaged by a major disaster, (2) the sale of such timber will assist in sustaining the economy of such area, or (3) the sale of such timber is necessary to salvage the value of timber damaged in such major disaster or to protect undamaged timber.

(d) The President, when he determines it to be in the public interest, and acting through the Director of Emergency Preparedness, is authorized to make grants to any State or local government for the purpose of removing from privately owned lands timber damaged as a result of a major disaster, and such State or local government is

authorized upon application, to make payments out of such grants to any person for reimbursement of expenses actually incurred by such person in the removal of damaged timber, not to exceed the amount that such expenses exceed the salvage value of such timber.

MINIMUM STANDARDS FOR RESIDENTIAL STRUCTURE RESTORATION

SEC. 243. No loan or grant made by any relief organization operating under the supervision of the Director, for the repair, restoration, reconstruction, or replacement of any residential structure located in a major disaster area shall be made unless such structure will be repaired, restored, reconstructed, or replaced in accordance with applicable standards of safety, decency, and sanitation and in conformity with applicable building codes and specifications.

FEDERAL FACILITIES

SEC. 251. The President may authorize any Federal agency to repair, reconstruct, restore, or replace any facility owned by the United States and under the jurisdiction of such agency which is damaged or destroyed by any major disaster if he determines that such repair, reconstruction, restoration, or replacement is of such importance and urgency that it cannot reasonably be deferred pending the enactment of specific authorizing legislation or the making of an appropriation for such purposes. In order to carry out the provisions of this section, such repair, reconstruction, restoration, or replacement may be begun notwithstanding a lack or an insufficiency of funds appropriated for such purpose, where such lack or insufficiency can be remedied by the transfer, in accordance with law, of funds appropriated to that agency for another purpose.

STATE AND LOCAL GOVERNMENT FACILITIES

SEC. 252. (a) The President is authorized to make contributions to State or local governments to repair, restore, reconstruct, or replace public facilities belonging to such State or local governments which were damaged or destroyed by a major disaster, except that the Federal contribution therefor shall not exceed 100 per centum of the net cost of repairing, restoring, reconstructing, or replacing any such facility on the basis of the design of such facility as it existed immediately prior to such disaster and in conformity with applicable codes, specifications, and standards.

Federal contributions.

(b) In the case of any such public facilities which were in the process of construction when damaged or destroyed by a major disaster, the Federal contribution shall not exceed 50 per centum of the net costs of restoring such facilities substantially to their prior to such disaster condition and of completing construction not performed prior to the major disaster to the extent the increase of such cost over the original construction cost is attributable to changed conditions resulting from a major disaster.

Limitation.

(c) For the purposes of this section "public facility" includes any flood control, navigation, irrigation, reclamation, public power, sewage treatment and collection, water supply and distribution, watershed development, or airport facility, any non-Federal-aid street, road, or highway, and any other public building, structure, or system, other than one used exclusively for recreation purposes.

"Public facility."

PRIORITY TO CERTAIN APPLICATIONS FOR PUBLIC FACILITY AND PUBLIC HOUSING ASSISTANCE

SEC. 253. In the processing of applications for assistance, priority and immediate consideration may be given, during such period, not to exceed six months, as the President shall prescribe by proclamation, to applications from public bodies situated in major disaster areas, under the following Acts:

- (1) title II of the Housing Amendments of 1955, or any other Act providing assistance for repair, construction, or extension of public facilities;
- (2) the United States Housing Act of 1937 for the provision of low-rent housing;
- (3) section 702 of the Housing Act of 1954 for assistance in public works planning;
- (4) section 702 of the Housing and Urban Development Act of 1965 providing for grants for public facilities; or
- (5) section 306 of the Consolidated Farmers Home Administration Act.

RELOCATION ASSISTANCE

SEC. 254. Notwithstanding any other provision of law, no person otherwise eligible for any kind of relocation assistance payment authorized under section 114 of the Housing Act of 1949 shall be denied such eligibility as a result of his being unable, because of a major disaster as determined by the President, to reoccupy property from which he was displaced by such disaster.

TITLE III—MISCELLANEOUS

TECHNICAL AMENDMENTS

SEC. 301. (a) Section 701(a)(3)(B)(ii) of the Housing Act of 1954 (40 U.S.C. 461(a)(3)(B)(ii)) is amended to read as follows: "(ii) have suffered substantial damage as a result of a major disaster as determined by the President pursuant to the Disaster Relief Act of 1970".

(b) Section 8(b)(2) of the National Housing Act (12 U.S.C. 1706c (b)(2)) is amended by striking out of the last proviso "section 2(a) of the Act entitled 'An Act to authorize Federal assistance to States and local governments in major disasters, and for other purposes' (Public Law 875, Eighty-first Congress, approved September 30, 1950)" and inserting in lieu thereof "section 102(1) of the Disaster Relief Act of 1970".

(c) Section 203(h) of the National Housing Act (12 U.S.C. 1709(h)) is amended by striking out "section 2(a) of the Act entitled 'An Act to authorize Federal assistance to States and local governments in major disasters and for other purposes' (Public Law 875, Eighty-first Congress, approved September 30, 1950), as amended" and inserting in lieu thereof "section 102(1) of the Disaster Relief Act of 1970".

(d) Section 221(f) of the National Housing Act (12 U.S.C. 1715l(f)) is amended by striking out of the last paragraph "the Act entitled 'An Act to authorize Federal assistance to States and local governments in major disasters, and for other purposes', approved September 30, 1950, as amended (42 U.S.C. 1855-1855g)" and inserting in lieu thereof "the Disaster Relief Act of 1970".

82 Stat. 527.

67 Stat. 121.

68 Stat. 592;
83 Stat. 383.

80 Stat. 1317.

(e) Section 7(a)(1)(A) of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress, as amended; 20 U.S.C. 241-1(a)(1)(A)), is amended by striking out "pursuant to section 2(a) of the Act of September 30, 1950 (42 U.S.C. 1855a(a))" and inserting in lieu thereof "pursuant to section 102(1) of the Disaster Relief Act of 1970".

81 Stat. 811.

(f) Section 16(a) of the Act of September 23, 1950 (79 Stat. 1158; 20 U.S.C. 646(a)) is amended by striking out "section 2(a) of the Act of September 30, 1950 (42 U.S.C. 1855a(a))" and inserting in lieu thereof "section 102(1) of the Disaster Relief Act of 1970".

(g) Section 408(a) of the Higher Education Facilities Act of 1963 (20 U.S.C. 758(a)) is amended by striking out "section 2(a) of the Act of September 30, 1950 (42 U.S.C. 1855a(a))" and inserting in lieu thereof "section 102(1) of the Disaster Relief Act of 1970".

80 Stat. 1318.

(h) Section 165(h)(2) of the Internal Revenue Code of 1954, relating to disaster losses (26 U.S.C. 165(h)(2)) is amended to read as follows:

76 Stat. 51.

"(2) occurring in an area subsequently determined by the President of the United States to warrant assistance by the Federal Government under the Disaster Relief Act of 1970,".

(i) Section 5064(a) of the Internal Revenue Code of 1954 (26 U.S.C. 5064(a)), relating to losses caused by disaster, is amended by striking out "the Act of September 30, 1950 (42 U.S.C. 1855)" and inserting in lieu thereof "the Disaster Relief Act of 1970".

72 Stat. 1337.

(j) Section 5708(a) of the Internal Revenue Code of 1954 (26 U.S.C. 5708(a)), relating to losses caused by disaster, is amended by striking out "the Act of September 30, 1950 (42 U.S.C. 1855)" and inserting in lieu thereof "the Disaster Relief Act of 1970".

72 Stat. 1420.

(k) Section 3 of the Act of June 30, 1954 (68 Stat. 330; 48 U.S.C. 1681), is amended by striking out of the last sentence "section 2 of the Act of September 30, 1950 (64 Stat. 1109), as amended (42 U.S.C. 1855a)" and inserting in lieu thereof "section 102(1) of the Disaster Relief Act of 1970".

82 Stat. 1213.

(l) Whenever reference is made in any provision of law (other than this Act), regulation, rule, record, or document of the United States to the Act of September 30, 1950 (64 Stat. 1109), or any provision of such Act, such reference shall be deemed to be a reference to the Disaster Relief Act of 1970 or to the appropriate provision of the Disaster Relief Act of 1970 unless no such provision is included therein.

REPEAL OF EXISTING LAW

SEC. 302. The following Acts are hereby repealed:

- (1) the Act of September 30, 1950 (64 Stat. 1109);
- (2) the Disaster Relief Act of 1966, except section 7 (80 Stat. 1316); and
- (3) the Disaster Relief Act of 1969 (83 Stat. 125).

42 USC 1855.

42 USC 1855aa.

note.

42 USC 1855aaa.

note.

PRIOR ALLOCATION OF FUNDS

SEC. 303. Funds allocated before the date of enactment of this Act under a Federal-State Disaster Agreement for the relief of a major disaster as defined in the Act of September 30, 1950 (Public Law 875, Eighty-first Congress), and not expended on the date of enactment of this Act may be used by the State to make payments to any person for reimbursement of expenses actually incurred by such person in the removal of debris from community areas, but not to exceed the amount that such expenses exceed the salvage value of such debris, or in other-

64 Stat. 1109. wise carrying out the purposes of such Act of September 30, 1950, or
42 USC 1855. this Act.

EFFECTIVE DATE

SEC. 304. This Act shall take effect immediately upon its enactment, except that sections 226(b), 237, 241, 252(a), and 254 shall take effect as of August 1, 1969, and sections 231, 232, and 233 shall take effect as of April 1, 1970.

Approved December 31, 1970.

LEGISLATIVE HISTORY:

HOUSE REPORTS: No. 91-1524 (Comm. on Public Works) and No. 91-1752 (Comm. of Conference).

SENATE REPORT No. 91-1157 (Comm. on Public Works).

CONGRESSIONAL RECORD, Vol. 116 (1970):

Sept. 9, considered and passed Senate.

Oct. 5, considered and passed House, amended.

Dec. 17, House agreed to conference report.

Dec. 18, Senate agreed to conference report.